

THE GLOUCESTER CHARITIES TRUST

England & Wales · Charity number 205177

Details

Other names	GCT
Status	Registered
Legal form	Other
Registered	1971-02-02
Register	View on the Charity Commission register

Contact

Address	Montpellier House Montpellier Gloucester GL1 1LF
Phone	01452500429
Email	info@gloschar.org.uk
Website	www.gloucestercharitiestrust.co.uk

Activities

Objects: SEE INDIVIDUAL CONSTITUENTS.

Activities: The Charity provides sheltered flats for older people in Gloucestershire as well as a Residential Home and Nursing Home. The Charity also offers day care services for those living with dementia in the wider community as well as a weekly social club. The Trust also administers a "Relief in Need" grant making branch of the charity and the former Gloucester District Nursing Charity.

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- **Area of benefit:** CITY OF GLOUCESTER.
- Gloucestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-09-30	£6,195,675	£5,873,843	£24,519,278	130
2024-09-30	£5,246,728	£5,440,871	£23,885,320	126
2023-09-30	£5,126,458	£5,631,710	£22,740,147	131
2022-09-30	£4,808,712	£4,953,956	£21,412,572	123
2021-09-30	£4,564,773	£4,467,211	£21,924,157	121

Trustees

Name	Role	Appointed
Angela Margaret Conder		2021-07-23
Anne Marie Clare Radley		2024-09-20
Christine Mary Harber		2018-11-16
David McKenna		2025-03-21
Dr JANET CECILIA LUGG		
GRAHAM GEORGE HOWELL		
Gail Beverley Johnson		2023-11-17
Howard Hyman		2024-07-19
LEE CHRISTOPHER HENSLEY		2014-01-07
Lorraine Campbell		2023-03-02
Martin Charles Collins		2017-08-18
Martyn White		2013-06-20
PAMELA TRACEY		2012-01-24
Stephen Ayland		2016-07-15
Stephen John Heath		2018-11-16
Valerie Rainford Sims		2025-05-19

Linked charities

- CITY OF GLOUCESTER ALMSHOUSE AND PENSION CHARITIES (205177-1)
- ANN LYSONS (205177-2)
- SIR THOMAS RICH'S CLOTHING CHARITY (205177-3)
- JOHNSTON VAUGHAN GIFT (205177-4)
- ALICE MAUD POULTON FUND (205177-5)
- WILLIAM MILES (205177-6)
- GEORGE COOK (205177-7)
- GLOUCESTER DISTRICT NURSING CHARITY (205177-8)

Accounts

Charity Registration No: 205177
Regulator of Social Housing Registration No: AO215

THE GLOUCESTER CHARITIES TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

C O N T E N T S

	Page
INFORMATION AND ADVISORS	1
REPORT OF THE TRUSTEES	2
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	13
STATEMENT OF COMPREHENSIVE INCOME	16
STATEMENT OF FINANCIAL POSITION	17
STATEMENT OF CHANGES IN RESERVES	18
CASH FLOW STATEMENT	19
NOTES TO THE FINANCIAL STATEMENTS	21

**THE GLOUCESTER CHARITIES TRUST
INFORMATION AND ADVISORS
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

Registered Office and Principal Place of Business

Montpellier House
Montpellier
Gloucester
GL1 1LF

Bankers

NatWest Bank plc
21 Eastgate Street
Gloucester
GL1 1NH

Solicitors

Tayntons LLP
Clarence Chambers
8-12 Clarence Street
Gloucester
GL1 1DZ

Lodders Solicitors LLP
Glensanda House
1 Montpellier Parade,
Cheltenham
GL50 1UA

Auditor

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Investment Managers

Rathbones Group plc
30 Gresham Street
London
EC2V 7QN

Brewin Dolphin Limited (trading as RBC Brewin Dolphin)
St James' Square
Cheltenham
GL50 3PR

Registered Charity Number

205177

Regulator of Social Housing Registration Number

AO215

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

TRUSTEES' REPORT

The Trustees present their annual report and the audited financial statements for the year ended 30 September 2025

Aims and Objectives

The aims of the Charity are:

- Provision of quality sheltered accommodation at an affordable cost
- Extra care facilities for frail Almshouse residents
- Administer, effectively, the Relief in Need branch of the Charity.

The Trust beneficiaries are older people in need in the County of Gloucestershire. The beneficiary selection policy is in accordance with the provisions of The Scheme, which is the governing document of the Trust.

The Trust also separately administers the former Gloucester District Nursing Charity (which was united with the Trust in 2008).

The aims of Gloucester District Nursing Charity are:

- The relief of persons in need resident in the area of benefit who are convalescent, disabled, or infirm by relieving their suffering or assisting their recovery.
- The relief of nurses who are in need and are resident in the area of benefit; and
- The relief of any retired nurses who are in need and who were formerly employed by the Gloucester District Nursing Society

In exceptional cases the Trustees may grant relief to persons otherwise eligible who are resident outside the said area but in the opinion of the Trustees ought nevertheless for sufficient reason to be treated as if resident therein or who are located for the time being within that area.

Our vision

To increase the scope, impact and quality of care and support GCT provides to older people and the wider Gloucester community.

Our mission

To continue to provide high quality accommodation, care, and support services which enhance the lives of older people in our local Gloucestershire community and support others in need, of all ages, through direct grant aid.

Our values

- Safety and security
- Professionalism
- Adaptability
- Caring
- Inclusivity

Our Strategic Aims

- To grow and become a leading, strategic, and influential housing, care and support services provider for older people offering a range of services (day, independent living and residential) to meet market demand.
- To operate and further develop exceptional Almshouses, offering additional care and support to maintain independent living.
- To ensure high quality service delivery in our residential homes

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

- To expand our specialist dementia day care services in line with market demand to support those living independently as well as our own residents.
- To ensure GCT is fit for the future to deliver a financially and operationally sustainable organisation.
- To support our local communities through our Relief in Need grant giving
- To build our own internal strengths and capabilities to increase our impact ensuring our organisational structure can deliver our strategic plan.

Reference and Administrative Information

Principal Office: Montpellier House, Montpellier, Gloucester GL1 1LF

Mr Martin Collins	Mr Howard Hyman
Mr Lee Hensley	
Mr Terry Haines (died December 2025)	Mrs Angela Conder
Mrs Christine Harber (Vice Chair)	Miss Pam Tracey
Mr Stephen Heath (Chair)	Mr Martyn White
Mr Graham Howell	Ms A Radley
Dr Jan Lugg	Mr David McKenna (appointed March 2025)
Mr Stephen Ayland	Ms Valerie Simms (appointed May 2025)
Mr William Hewer	
Mrs Lorraine Campbell	
Mrs G Johnson	
Mr R Stubbins (resigned January 2025)	

The day to day running of the Trust affairs is managed by the Chief Executive, Mrs Kathryn Lewis.

Hazlewoods LLP provides audit services and related advice to the Trustees.

Midwinters Law LLP and Ladders Solicitors provide legal services and related advice to the Trustees.

NatWest Bank Plc provides financial services to the Trustees.

Rathbones (incorporating Investec Wealth & Investment) provide investment services to the Trustees.

RBC Brewin Dolphin provide investment services to the Trustees for the Gloucester District Nursing Charity funds.

Custodian Trustee – The Official Custodian

McCartneys LLP act as Land Agents for the Trust.

Ash & Co act as Commercial Property Agents.

CJ Hole act as Letting Agents for residential lettings.

Structure, Governance and Management

The Charity is an unincorporated Charity (registration number 205177) with an unincorporated body of Trustees. The governing document of the Charity is The Scheme dated 4 April 1997 as amended by Scheme dated 16 December 1997 and Scheme dated 30 April 2001 registered with the Charity Commission. The Charity is a registered charity, an Almshouse charity, and a Registered Provider (RP). The Charity is registered with the Regulator of Social Housing, the Care Quality Commission (CQC) and is a member of the Almshouse Association.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

The body of Trustees, when complete, consists of 18 Trustees of which nine are nominated Trustees and nine co-optative Trustees. The co-optative Trustees are individuals who through residence, occupation, or employment in or near the City of Gloucester have a specialist knowledge or interest in the work of the Charity. Of the nominated Trustees seven should be appointed by the Council of the City of Gloucester and two by the Committee of the Freemen of the City of Gloucester. The Trust has a Trustee Recruitment and Selection Policy and a separate Trustee Induction Policy which are reviewed every two years. Trustees are provided with an information pack upon joining the Trust which contains the most recent audited financial statements, the latest management account information, minutes of the two most recent General Meetings, a short history of the Trust, the Trust Schemes, and a copy of Charities Commission booklet CC3 – The Essential Trustee What you need to know, and a list of the year's forthcoming meetings. In addition, they are also issued with any policies with which they need to comply, the Code of Governance and the Terms of Reference of the various sub-committees.

Existing Trustees can co-opt trustees if they have the relevant skills, knowledge and background that enable them to meet an existing skills gap on the Board of Trustees.

During 2024/2025 The Board of Trustees met bi-monthly to carry out the business of the Charity. GCT's Board has several sub-committees, Governance and Risk Management, Finance and Property and Welfare (Staff and Residents) which comprise of Trustees with a specialist knowledge, interest, or skill in a particularly relevant area. These committees meet 4-6 times per year and take forward recommendations to the main meetings of the full Trustee Board. Employees of the Charity report to the main Board of Trustees at the bi-monthly meetings or through a monthly information pack and may refer recommendations for the consideration and approval of all Trustees. The Trustees also hold an annual Strategy Day.

During the year, the Board made the decision to set up a Grant Giving Committee.

The day to day running of the Trust is delegated to the Chief Executive supported by a Senior Management Team.

The Trust also operates an Advisory Committee which consists of the Chair, Vice Chair and one other Trustee to which the Chief Executive can refer should a decision need to be made urgently.

The Trustees are required under charity legislation and the Regulator of Social Housing to prepare financial statements that give a true and fair view of the charity's performance during and at the end of the financial year.

Public Benefit

The Trust's main charitable aim is to provide good quality, affordable accommodation for older people from the County of Gloucestershire to meet the variety of needs which this client group presents. The Trust owns and manages 137 sheltered housing flats at four locations within Gloucester, Guild House Residential Home, and Magdalen House Residential Home as well as the Kimbrose Club. The Trust therefore offers a range of services which support individuals living independently right through to those requiring full time care. The accommodation and care provided by the flats and Homes is open to the community of Gloucestershire subject to meeting the Trust's admission criteria. In addition, the Trust also offers a dedicated day care facility, The Kimbrose Club. The Club is open to older people (residents and non-residents) living with dementia, memory loss or depression and anxiety.

The above meets the public benefit criteria and falls within the Charities Act 2006 charitable purpose defined as "relief of those in need by reasons of youth, age, ill-health, disability, financial hardship or other disadvantage". All the Trust's charitable activities focus on directly improving the lives of older people by providing a range of housing and care options. The Trust's Relief in Need activities also clearly meet the public benefit criteria and are available to non-residents, of any age, subject to the requirements of the governing document.

In the furtherance of these aims the Board, as the Charity Trustees, have complied with the duty in s.4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

The Trust awarded grants to the value of £20,147 to individuals and other worthy causes in the year via the Relief in Need and Gloucester District Nursing Charity schemes. There have not been as many applications from individuals during the year as expected, which is surprising given the exceedingly difficult circumstances so many individuals have found themselves in. This has led to a review of our current grant giving process and the creation of a Grant Giving Committee with a Trustee appointed to be a case worker to deal directly with applications prior to them being submitted to the Committee for approval. We also continue to work with other Charities to try to reach more individuals and deserving causes. All grants awarded are ratified by the full Board at our bi-monthly meetings.

Review of achievements and performance for the year

As always, we have strived to provide the best possible care and support to all our residents and members throughout the year. The year has, however, been a particularly difficult one financially for the Trust due to the increases in the national minimum wage and the increase in the employer's national insurance contributions from 13.8% to 15% as well as the reduction in the lower earnings threshold at which employers national insurance becomes payable. The continued high energy costs and food prices, coupled with the cost of payroll increases referred to above, have all contributed significantly to us experiencing a deficit in our residential homes. On a positive note, the level of voids and vacancies experienced throughout the Trust was exceptionally low.

Our Day Services had a particularly good year where income was as expected and costs well controlled. We were also able to continue to offer respite stays to our members by having dedicated rooms in Magdalen House for the use of Kimbrose members and our Almshouse residents. The much-anticipated Kimbrose refurbishment was started in January 2025 and completed on time in February and within budget. The feedback on the refurbishment has been extremely positive.

Recruitment and retention have been extremely challenging throughout the year with the Trust experiencing far higher levels of staff turnover than we have previously been used to. To recruit the right people and improve our staff retention rate, we have developed and implemented a Workforce Strategy for the period 2025-2028.

Magdalen House is now well established as a residential home and had high occupancy levels throughout the year. We have a mix of privately funded and Adult Social Care funded residents living with us and most of our referrals come through the adult social care system. We have continued to build on our excellent working relationships with those who refer into us, and we have maintained our reputation for providing high quality care and support.

Guild House has also maintained extremely high levels of occupancy throughout the year. It is always pleasing to note that we very rarely must advertise any vacancies in Guild House as we have a waiting list of applicants, and our superb reputation means most of our referrals come via word of mouth.

We obtained planning approval for the refurbishment of the property we purchased next to our St Margarets site and have completed the ground floor refurbishment to create a beautiful lounge, kitchen, and accessible toilet for our St Margarets residents to enjoy. Our St Margarets residents are extremely pleased with the space created for them to enjoy and it is being well utilised. The upper floor refurbishment to create a one-bedroom flat is underway and will be completed by the end of February 2026.

The Quinquennial inspection work at our St Margaret Almshouses was completed in the year, albeit the project took longer than the 26-week expected. The project, which was completed within budget, will ensure the fabric of our historic Almshouse buildings are well preserved.

We have also continued our programme of rebranding and have now installed our new signage on all sites, updated all our promotional material, and moved forward with our marketing strategy.

During the year, our Board of Trustees made the decision to sell our residential property on Brunswick Road as this is not a core asset. Unfortunately, the initial sale did not complete, however we have accepted a further offer on the building and are hoping for the sale to complete early in 2026. The intention is to use the sales proceeds from our non-core assets to enable us to expand our sheltered housing offering and offer an enhanced housing service.

Our annual strategy day was held in July where it was agreed that, for 2026, the focus is to be on improvement not growth. The Board also approved our Supporting Older People to Live Well Framework and our Housing, Dementia and End of Life strategies. Progress against the first-year strategic action plans is provided to the Board on a bi-monthly basis.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

In our previous year's Trustee report, as always, we stated our future plans, and we are pleased to report that we made noteworthy progress against these during 2024/2025.

The Trustees continue to be of the opinion that the overall financial position of the Trust is healthy and that it is able to meet its current and future obligations and commitments.

Progress against plans for 2024/2025.

- Creation of Workforce Strategy which aligns with the Workforce Strategy for Adult Social Care in England – completed and implemented.
- Develop our Housing Strategy and QA and Audit Framework in line with the Regulator of Social Housing Consumer and Economic Standards and the Housing Ombudsman Complaints Handling Code – the creation of our Housing Strategy has been completed. We are now in the process of formalising our QA & Audit framework. We have a newly appointed Trust Housing Manager who will lead on this.
- Implementation of our newly approved Day Services QA & Audit framework and associated audits – underway and will be completed during 2026.
- Conduct a full review of our Regulated Activities QA and Audit Framework – put on hold due to other more pressing priorities. This will be completed in the early part of 2026.
- Create a GCT Dementia Strategy – completed and action plan created for Year one.
- Create a GCT End of Life Strategy – completed and action plan created for year one.
- Continue with our digitisation programme and reduce our reliance on paper documents. Ongoing.
- Progress our IT Road map. Ongoing.

Plans for 2026

- We are currently reviewing the feasibility of refurbishing and repurposing space at Guild House to create several more bedrooms and improve the communal spaces for all residents to enjoy.
- Ensure the objectives of the approved Strategic Action Plans are realised.
- Develop a future proof heating and hot water strategy for our sheltered housing flats.
- Undertake internal and external works to improve our Chapel at St Margarets
- Develop our Housing Strategy and QA and Audit Framework in line with the Regulator of Social Housing Consumer and Economic Standards and the Housing Ombudsman Complaints Handling Code
- Progress our IT Road map.
- Conduct a full review of our Regulated Activities QA and Audit Framework.
- Review our existing governing documents and propose any changes to the Charity Commission for approval.
- Merge / link the two John Ward charities with GCT.
- Consider the legal structure of GCT and determine if a change needs to be made.
- Compile a revised suite of audits for our Day Services to evidence compliance with our Day Services Standards
-

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

- Complete EPC surveys for all our Almshouse accommodation and develop a plan to ensure compliance with the Regulator of Social Housing's requirement that all accommodation is rated at "C" or better by 2030.

Risks

The Trustees have considered the financial and operational risks to which the Trust is potentially exposed and have introduced further policies and management structures to mitigate them. We have separated our risk registers into Strategic and Operational Risk Registers with the Trustees having ownership of the Strategic Risk Register and our Head of Operations having responsibility for the Operational Risk Summary in conjunction with our Senior Management Team.

In the previous year, we considered the lack of a stable management team in Magdalen House to be a risk to us in delivering the service expected. We are delighted that we appointed a new Registered Manager in Magdalen House Residential Home in February and she is now leading the home with her Deputy Manager and Head of Care. Guild House is now seeking a Head of Care to complete their Management Team.

Our financial controls are designed to minimise the risk of fraud or other losses and are regularly reviewed and updated. We appointed a new Finance Manager during the year, and she is making improvements in the way in which the Finance Department operates, and the information produced for management and Trustee purposes. The Trust has appropriate insurance coverage for the activities in which it is involved. The Trust's reserves policy allows the Trust to continue operating for several years with a trading deficit if the Trustees decide this is warranted.

The Trustees approved a decision to financially support our No76 Coffee and Confectionary Ltd business for the next two years as this provides significant benefits to the GCT community and the wider community.

Risk management is embedded in all areas of the Trust's operations as a key activity that is to be continually reviewed and assessed.

Investment policy and objectives

The investment policy provides for a broad-based portfolio of both financial and property investments to provide income for the Relief-in-Need branches, and security of endowed capital. This is particularly relevant when Trustees are looking at the potential cost of the major development projects which they have commissioned. The importance of keeping the reserves at a level which is sufficient to fund the future upkeep and development of Trust properties continues to be a major consideration for Trustees. The Trust also aims to maximise the income on temporarily invested restricted funds.

The Charity Commission Scheme dated 4 April 1997 empowers the Trustees to make such arrangements as they think fit for any investments of the Charity to be held by a corporate body which is incorporated in England and Wales as the Trustees' nominee.

Clear investment direction is provided to the Investment Managers at the annual review meeting; however, the Trustees have not felt it necessary or appropriate to give specific instructions regarding the extent that social, environmental, or ethical considerations are taken into account, in relation to the retention and realisation of investments. The Trustees conducted a review of Ethical Investing at their Strategy Day in July 2025 and, whilst mindful of the importance of investments meeting moral, social, and religious values, the returns on investments are crucial for the Board to be able to support individuals and worthy causes through our Grant Giving branch.

GCT administers the John Ward and Others Charity and the John Ward's Educational Foundation on behalf of their Trustees and is hoping to either merge these charities or link them and then they will be included with the main GCT investments. GCT has a uniting order which enables the effective administering of the Gloucester District Nursing Charity.

Reserves policy

Under the Housing SORP 2014 designated funds are no longer permitted and must revert to normal unrestricted reserves. The unrestricted reserves of the Trust therefore include those previously designated as either Cyclical Maintenance Fund (CMF) or Extraordinary Repair Fund (ERF) reserves.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

The Trustees are satisfied that the reserves held are commensurate with the scale of operations. Most the Trust's fixed assets are held either in our housing or investment properties therefore the level of reserves is commensurate with the contingency required to ensure the ongoing business of the Trust. Details of the levels of reserves at the year end, and the policies attached to each reserve, can be found in notes 14 to 16 of these financial statements.

Key Value for Money Metrics

In April 2018 the Regulator of Social Housing has introduced a requirement of small registered social housing landlords to include their Value for Money (VFM) metrics in their annual financial statements.

Below are the seven metrics for the Trust. Figures are in Pounds Sterling.

Metric 1 – Reinvestment %

This metric looks at the investment in properties as a percentage of the value of the total properties held (THP – Total Housing Properties). The reinvestment activities include development and/or acquisition of new properties and major maintenance works carried out in our existing properties (i.e. central heating upgrades, new kitchens and bathrooms installations etc).

	2024/25	2023/24
Development of New Properties (THP)	-	-
Newly build properties acquired (THP)	-	-
Works to Existing (THP)	399,136	75,205
Divided by:		
Housing Properties at net book value	2,976,198	2,679,717
Outcome	13%	3%

Metric 2 – New Supply Delivered %

The New Supply metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at 30 September 2025.

	2024/25	2023/24
a. Social Housing Units		
Total Social Housing Units Developed or Newly Built Units Acquired In-Year	-	-
Divided by Total Social Housing Units (inc. Shared Ownership)	137	137
Outcome	0%	0%
b. Non-Social Housing Units		
Total Non-Social Units Developed or Newly Built Units Acquired In-Year (Owned). (Total non-social rental housing units owned, non-social leasehold units owned, new outright sale units developed or acquired).	-	-
Divided by Total and Non-Social Housing Units Owned (Period End). (Total social housing units owned, total non-social rental housing units owned, social leasehold units owned, non-social leasehold units owned (Period end))	-	-
Outcome	0%	0%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

Metric 3 – Gearing %

This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance.

	2024/25	2023/24
Total of:		
Short-Term Loans	6,268	5,613
Long-Term Loans	357,731	369,612
Less Cash and Cash Equivalents	(2,572,649)	(2,594,245)
Divided by:		
Housing Properties at net book value	2,976,198	2,679,717
Outcome	-74%	-83%

Metric 4 – Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %

The EBITDA MRI interest cover measure is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates compared to interest payable.

	2024/25	2023/24
Operating Surplus / (Deficit)	377,931	265,775
Less Gain / (loss) on disposal of fixed assets (housing properties)	-	-
Less Amortised Government grant	-	-
Plus Interest receivable	-	-
Less Capitalised major repairs expenditure for period	(399,136)	(75,205)
Plus Total depreciation charge for period	114,523	148,562
Divided by:		
Interest Capitalised	-	-
Plus Interest payable and financing costs	45,771	41,325
Outcome	204%	662%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

Metric 5 – Headline Social Housing Cost Per Unit

	2024/25	2023/24
Total of:		
Management Costs	44,819	48,718
Service Charge Costs	962,815	970,515
Routine Maintenance Costs	66,585	43,459
Planned Maintenance Costs	24,761	20,139
Bad Debts	791	678
Depreciation of housing properties	114,523	148,562
Other Social Housing Costs	-	-
Divided by:		
Total Social Housing Units Owned and Managed at the Period End	137	137
Outcome	8,863	8,993

Metric 6 – Operating Margin %

The Operating margin demonstrates the profitability of operating assets before exceptional expenses are considered.

The Association's operating margin shows that the organization uses its resources efficiently. The social housing lettings excludes the social housing grant amortisation.

	2024/25	2023/24
a. Social Housing Lettings	24%	14%
b. Overall	2%	-8%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

Metric 7 – Return on Capital Employed (ROCE) %

This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources. The ROCE metric would support registered providers with a wide range of capital investment programmes.

	2024/25	2023/24
Operating Surplus / (Deficit) inc. Gain / (Loss) on Disposal of Fixed Assets (Housing Properties)	377,931	200,070
Divided by:		
Total Assets less Current Liabilities	26,288,479	25,684,376
Outcome	1%	1%

Commentary

We are conscious of our obligations to provide value for money in the services we provide, as evidenced in the metrics included in these financial statements. The metrics above are applicable to the Almshouse activities of the charity, and therefore the information provided relates solely to the Almshouses where relevant.

The Almshouses are just one part, albeit a very important one, of the overall care activities of the charity. Unlike most providers of social housing, the charity derives most of its income from other activities. As a result, it is difficult to benchmark the metrics as the activities of the charity are relatively unique. The trustees do, however, consider the metrics to be within their expectations and show a very positive outlook for the Almshouse activities and the charity as a whole.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Registered Social Housing Legislation and the Charities Act 2011 require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Charity's affairs and of its income and expenditure for the period. In preparing those financial statements, the Trustees are required to: -

- 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 financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Scheme of the Charity Commissioners dated 4 April 1997 by which the Charity was constituted (as amended on 16 December 1997 and 30 April 2001), Section 1 to the Housing Act 2006, Charities Act 2011, the Statement of Recommended Practice – Accounting by Registered Social Landlords and the Accounting Requirements for Registered Social Landlords General Determination 2022. They are also responsible for taking reasonable steps to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Auditors

Hazlewoods acted as auditors during the year.

Approved and authorised for issue by the Trustees on ...20th... March 2026

Mr Martin Collins – Chairman of the Finance Committee



Mr Stephen Heath – Chairman of Trustees



**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

Opinion

We have audited the financial statements of The Gloucester Charities Trust for the year ended 30 September 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. 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), as well as the Housing SORP 2014..

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2025 and of its incoming resources and application of resources, including its income and expenditure, 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. 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.

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

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.

Opinion on other matters prescribed by the Charities Act 2011

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

- the information given in the Report of the Trustees for the financial period for which the financial statements are prepared is consistent with the financial statements.
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all of the information and explanations we require for our audit.

Respective responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISA's (UK).

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

- We obtained an understanding of the legal and regulatory frameworks applicable to the charity financial statements or that had a fundamental effect on the charity's operations. We determined that the most significant laws and regulations included the Housing SORP 2018, Charity law, The Accounting Direction for Private Registered Providers of Social Housing 2022 and the Housing Regeneration Act 2008.
- We understood how the charity is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process. Detailed analysis of journals posted through the accounting system during the year to 30 September 2025 has been undertaken;
 - Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud, and they appeared to be working effectively;
 - Challenging assumptions and judgements made by management in its significant accounting estimates.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 154 of the Charities Act 2011 and Section 128 of the Housing and Regeneration Act 2008. Our 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.

Martin Howard

Martin Howard (Senior Statutory Auditor)

Date: 23/3/2026

**For and on behalf of Hazlewoods LLP
Statutory Auditors**

Windsor House
Bayshill Road
Cheltenham
Gloucestershire
GL50 3AT

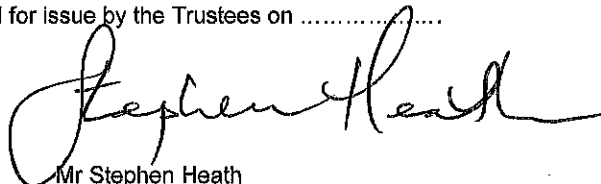
**THE GLOUCESTER CHARITIES TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

	Note	2025 £	2024 £
TURNOVER	2	5,944,163	5,015,770
Operating costs	2	<u>(5,821,523)</u>	<u>(5,393,538)</u>
OPERATING SURPLUS/(DEFICIT)	2	122,640	(377,768)
Surplus on disposal of tangible fixed assets		230	258,762
Surplus on disposal of fixed asset investments		<u>99,299</u>	<u>60,854</u>
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE INVESTMENT INCOME AND INTEREST		222,169	(58,152)
Interest receivable and other income	6	251,512	230,958
Interest payable and similar charges	7	<u>(52,320)</u>	<u>(47,333)</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE CHANGES IN MARKET VALUE OF INVESTMENTS		421,361	125,473
Movement in fair value of investments		<u>147,353</u>	<u>672,960</u>
SURPLUS FOR THE YEAR		568,714	798,433
Unrealised surplus on revaluation of investment property		65,242	346,742
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>633,956</u>	<u>1,145,175</u>

These financial statements were approved and authorised for issue by the Trustees on



Mr Martin Collins
Chairman of Finance Committee
The Gloucester Charities Trust



Mr Stephen Heath
Chairman of Trustees
The Gloucester Charities Trust

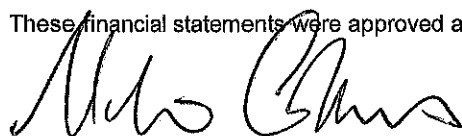
The Trust's results relate wholly to continuing activities.

The notes on pages 22 to 35 form part of these financial statements.

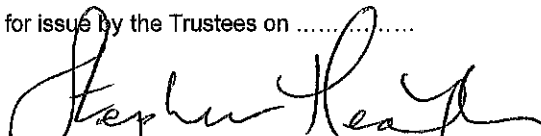
**THE GLOUCESTER CHARITIES TRUST
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

	Note	2025	2024
FIXED ASSETS			
Housing properties		2,976,198	2,679,717
Extra care facilities and head office		5,008,572	4,808,324
Investment properties		9,201,804	9,078,499
Other assets		<u>453,173</u>	<u>559,186</u>
Tangible fixed assets	8	17,639,747	17,125,726
Investments	9	<u>6,433,103</u>	<u>6,196,286</u>
		24,072,850	23,322,012
CURRENT ASSETS			
Stock		-	1,635
Debtors	10	316,409	268,184
Cash at bank and in hand		<u>2,572,649</u>	<u>2,594,245</u>
		2,889,058	2,864,064
CREDITORS: amounts falling due within one year	11	<u>(673,429)</u>	<u>(501,700)</u>
NET CURRENT ASSETS		<u>2,215,629</u>	<u>2,362,364</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>26,288,479</u>	<u>25,684,376</u>
CREDITORS: amounts falling due after more than one year			
	12	<u>1,769,201</u>	<u>1,799,054</u>
FINANCING AND RESERVES			
Restricted reserves	14	801,263	885,577
Unrestricted funds	16	21,369,982	20,701,528
Endowment funds	15	<u>2,348,033</u>	<u>2,298,217</u>
		<u>24,519,278</u>	<u>23,885,322</u>
		<u>26,288,479</u>	<u>25,684,376</u>

These financial statements were approved and authorised for issue by the Trustees on



Mr Martin Collins
Chairman of Finance Committee
The Gloucester Charities Trust



Mr Stephen Heath
Chairman of Trustees
The Gloucester Charities Trust

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 30 SEPTEMBER 2025

2025	Restricted Reserves £	Unrestricted Funds £	Endowment Funds £	Total £
Balance at 1 October 2024	885,577	20,701,528	2,298,217	23,885,322
Total comprehensive income	31,368	552,772	49,816	633,956
Transfers	(115,682)	115,682	-	-
Balance at 30 September 2025	801,263	21,369,982	2,348,033	24,519,278

2024	Restricted Reserves £	Unrestricted Funds £	Endowment Funds £	Total £
Balance at 1 October 2023	1,198,883	19,408,275	2,132,989	22,740,147
Total comprehensive income	95,185	884,762	165,228	1,145,175
Transfers	(408,491)	408,491	-	-
Balance at 30 September 2024	885,577	20,701,528	2,298,217	23,885,322

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2025

	2025	2024 £
Net cash generated by/(used in) operating activities (note i)	642,080	(115,973)
Cash flow from investing activities		
Purchase of investment securities	(3,733,121)	(1,240,182)
Sale and maturity of investment securities	3,742,956	1,327,008
Purchase of tangible fixed assets	(867,354)	(797,902)
Sales proceeds from disposal of tangible fixed assets	230	658,763
Interest received	75,979	75,966
	(781,310)	23,653
Cash flow from financing activities		
Dividends received	175,533	154,992
Interest paid	(52,320)	(47,333)
Repayment of borrowings	(5,579)	(4,410)
	117,634	103,249
Net change in cash and cash equivalents (note ii)	(21,596)	10,929
Cash and cash equivalents at beginning of year	2,594,245	2,583,316
Cash and cash equivalents at end of year	2,572,649	2,594,245

	2025 £	2024 £
i) ANALYSIS OF CASH FLOWS		
Cash flow from operating activities		
Surplus for the year before revaluation of investments and investment property	421,361	112,647
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	418,575	378,755
Surplus on sale of fixed asset investments	(99,299)	(48,028)
Surplus on sale of tangible fixed assets	(230)	(258,762)
Increase in stock	1,635	-
Increase in debtors	(48,225)	(129,700)
Increase in creditors	171,074	36,359
Adjustments for investing or financing activities:		
Government grants utilised in the year	(23,619)	(23,619)
Interest payable	52,320	47,333
Interest receivable	(75,979)	(75,966)
Dividends received	(175,533)	(154,992)
Net cash generated by/(absorbed in) operating activities	642,080	(115,973)

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2025

ii) ANALYSIS OF NET DEBT

	At 1 October 2024 £	Cash flow £	Non-cash movement £	Total 2025 £
Cash at bank and in hand	2,594,245	(21,596)	-	2,572,649
Debt due within one year	(5,613)	5,613	(6,238)	(6,238)
Debt due in more than one year	(369,612)	-	11,881	(357,731)
Net debt	2,219,020	(15,983)	5,643	2,208,680

**THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

1 ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom including Financial Reporting Standard (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis of accounting

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, rounded to the nearest pound, being the functional currency of the primary economic environment in which the Trust operates.

Turnover

Turnover represents weekly maintenance contributions, nursing home fees, residential home fees and commercial rent-receivable.

Going concern

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation, with the exception of investment properties which are shown at open market value. Depreciation is charged on a straight-line basis over the expected economic useful lives of the assets at the following rates per annum:

Freehold housing properties	See below
Refurbishments	5%-12.5%
Office fixtures and fittings	20%
Motor vehicles	25%
Nursing Home and Day Centre fixed equipment	10%-20%

**THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

1 ACCOUNTING POLICIES (continued)

Housing properties

The Trust accounts for its expenditure on housing properties using component accounting. Under component accounting, in addition to the structure, the housing property is divided into those major components which are considered to have substantially different useful economic lives as follows:

Main Fabric	100 years
Roof	50 years
Windows and doors	20 years
Bathrooms	10 years
Electrics	20 years
Lifts	20 years
Heating	15 years
Kitchens	10 years

As required by FRS 102, the Trust has reviewed the useful economic lives of its housing properties and depreciates the property accordingly.

The Trust capitalises work to existing properties which results in an increase in the net rental income, including a reduction in maintenance costs, or results in significant extension to the useful economic life of the property.

Where property components with a separate identifiable life are replaced, the new components are capitalised with new life and the old components, if any, are written off.

Housing properties in the course of construction are stated at cost and are not depreciated.

Social Housing Grant and Other Capital Grants

Where developments have been financed wholly or partly by Social Housing Grant "SHG" (formerly "HAG"), the grants are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

SHG and HAG is repayable under certain circumstances, primarily following sale of a property but will normally be restricted to proceeds of sale, if this is lower than the initial grant received.

Government Grant

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants relating to revenue are recognised in income over the period in which the related costs are recognised.

Capitalisation of interest

Interest on mortgage loans financing new developments is capitalised up to the date of practical completion of the scheme.

Leased assets

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Investments

Investments are stated at market value and are in accordance with the valuation reports received from the Investment Managers.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

1 ACCOUNTING POLICIES (continued)

Trade debtors

Trade debtors are amounts due from customers for the rental of Housing properties.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Trade Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Taxation

The Trust is of charitable status and therefore exempt from taxation. Irrecoverable VAT on expenditure is included as part of the cost of the item of expenditure to which the VAT relates.

Pension costs

The Charity operates a defined contribution pension scheme. Contributions are charged to the income and expenditure accounts as they became payable in accordance with the rules of the scheme.

Legacy income

Legacy income is recognised in the income and expenditure account on a receivable basis.

Restricted reserves

These are detailed in note 14 to the financial statements.

Endowment Funds

These are detailed in note 15 to the financial statements.

Financial instruments

The trust only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other receivables and payables, and investments in non-puttable ordinary shares.

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets or financial liabilities.

Debt instruments like loans and other receivables and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Investments in non-puttable ordinary shares are measured at cost less impairment for all other investments.

**THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

1 ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying value and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the trust would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount recognised in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

At each reporting date non-financial assets not carried at fair value, such as property, plant and equipment are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less costs to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in the reported surplus or deficit.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

2 PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

2025	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£	£	£
Social housing lettings (see note 3)	1,547,602	(1,262,419)	285,183
Grant income	23,619	-	23,619
Activities other than social housing			
Investment property lettings	224,251	-	224,251
Charitable giving	-	(170,557)	(170,557)
Administration costs	-	(124,982)	(124,982)
Kimbrose Club	308,157	(323,555)	(15,398)
Extra-care facility	3,840,534	(3,860,758)	(20,224)
Other	-	(79,255)	(79,255)
Total	5,944,163	(5,821,526)	122,637
2024	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£	£	£
Social housing lettings (see note 3)	1,432,143	(1,232,071)	200,072
Grant income	23,619	-	23,619
Activities other than social housing			
Investment property lettings	189,508	-	189,508
Charitable giving	-	(130,441)	(130,441)
Administration costs	-	(186,912)	(186,912)
Kimbrose Club	300,209	(292,039)	8,170
Extra-care facility	2,974,413	(3,419,749)	(445,336)
Other	95,878	(132,326)	(36,448)
Total	5,015,770	(5,393,538)	(377,768)

All income is generated within the United Kingdom.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

3 PARTICULARS OF TURNOVER AND OPERATING EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	Supported housing (including housing for older people)	
	2025	2024
	£	£
Income		
Rent receivable net of identifiable service charges	765,810	741,920
Service charge income	754,837	664,403
Other income	26,955	25,819
Turnover from social housing lettings	1,547,602	1,432,142
Operating expenditure		
Management	44,819	48,718
Service charge costs	962,815	970,515
Routine maintenance	66,585	43,459
Planned maintenance	24,761	20,139
Bad debts	791	678
Depreciation of housing properties	162,648	148,562
Operating expenditure on social housing lettings	1,262,419	1,232,071
Operating surplus on social housing Lettings	285,183	200,071
Void losses	45,682	74,572

During the year ended 30 September 2025, the Charity owned 137 units of social housing accommodation under its own management (2024 - 137).

The average weekly maintenance contribution on social housing accommodation was £105.58 (2024 - £105.34).

There were no general needs housing or other categories for the social housing lettings.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

4 EMPLOYEES

	2025	2024
Average number of employees expressed in full time equivalents	<u>130</u>	<u>126</u>
Employees costs during the year		
Wages and salaries	3,144,323	3,036,602
Social security costs	294,521	217,389
Other pension costs	66,391	67,301
	<u>3,505,235</u>	<u>3,321,292</u>
Emoluments to Chief Executive Officer	<u>110,177</u>	<u>107,820</u>

The CEO is an ordinary member of the Trust Group Personal Pension Scheme and there are no special terms applied. The contribution made by the Trust is 8% of gross salary; CEO pays 3% individual contribution, which is the same as all other members of the Pension Scheme. The CEO has no other personal pension agreement to which the Trust makes a contribution.

The above represents the emoluments of the highest paid officer. The Trustees, who constitute the managing body of the trust, received no remuneration therefrom. One employee of the trust was paid between £100,000 and £110,000 and nil paid between £90,000 and £100,000 (2024 – one paid between £100,000 and £110,000, nil paid between £90,000 and £100,000).

Payments for redundancy or termination of contracts made in the year amounted to £nil (2024 - £nil).

The Trust has no officers other than the Trustees and the Chief Executive.

5 AUDITOR'S REMUNERATION

	2025 £	2024 £
Remuneration payable to the auditor including Value Added Tax was as follows:		
For audit services	11,400	11,400
For any other services	1,800	1,200
	<u>13,200</u>	<u>12,600</u>

Other services provided during the year relate to costs borne by the Charity for the preparation of year end accounts and corporation tax return of a related party.

Other services provide during the prior year relate to VAT advice

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

6 INTEREST RECEIVABLE AND OTHER INCOME

	2025	2024
	£	£
Investment income		
Dividend income	175,533	154,992
Interest receivable	75,979	75,966
	<u>251,512</u>	<u>230,958</u>

7 INTEREST PAYABLE

	2025	2024
	£	£
Interest payable and similar charges		
Housing corporation loans (see note 13)	45,771	41,325
Bank charges payable	6,549	6,008
	<u>52,320</u>	<u>47,333</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

8 TANGIBLE FIXED ASSETS

	Housing properties £	Extra-care facility and head office £	Investment properties £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 October 2024	4,704,565	6,983,177	9,078,499	2,370,269	92,607	23,228,117
Additions	399,136	340,981	58,064	64,980	5,302	868,463
Transfers	-	-	-	-	-	-
Revaluation	-	-	65,241	-	-	65,241
Disposals	-	-	-	(36,712)	(2,685)	(39,397)
At 30 September 2025	5,103,701	7,324,158	9,201,804	2,398,537	95,224	24,123,424
Depreciation						
At 1 October 2024	2,024,848	2,174,852	-	1,820,596	83,095	6,103,391
Charge for the year	102,655	140,734	-	168,679	7,615	419,683
Transfers	-	-	-	-	-	-
Eliminated on disposal	-	-	-	(36,712)	(2,685)	(39,397)
At 30 September 2025	2,127,503	2,315,586	-	1,952,563	88,025	6,483,677
NET BOOK VALUE						
At 30 September 2025	2,976,198	5,008,572	9,201,804	445,974	7,199	17,639,747
At 30 September 2024	2,679,717	4,808,325	9,078,499	549,673	9,512	17,125,726

The extra-care facility is a freehold nursing home, a day care centre and a residential home. All other properties above are also freehold. The investment properties are commercially let. Investment properties were revalued during the year by the Trustees following consultations with McCartneys LLP, Chartered Surveyors and Bruton Knowles. The historical cost of the investment properties at 30 September 2025 is £5,313,647 (2024 - £5,229,929).

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

9 INVESTMENTS

	Total £
At 1 October 2024	6,196,286
Additions	3,738,013
Disposals	(3,648,549)
Change in market value	147,353
At 30 September 2025	<u>6,433,103</u>
Cost:	
30 September 2025	<u>5,609,616</u>
30 September 2024	<u>4,704,529</u>

All investments are quoted.

No individual investment makes up more than 5% of the total investment portfolio.

10 DEBTORS

	2025 £	2024 £
Trade debtors	154,826	168,847
Other debtors and prepayments	102,635	99,337
Amounts owed by related parties	58,948	-
	<u>316,409</u>	<u>268,184</u>

11 CREDITORS – due within one year

	2025 £	2024 £
Trade creditors	203,798	69,833
Other creditors and accruals	439,744	398,843
Deferred income – Social Housing grants	23,619	23,619
Housing loans (note 13)	6,268	5,613
VAT liability	-	3,792
	<u>673,429</u>	<u>501,700</u>

12 CREDITORS – due after more than one year

	2025 £	2024 £
Deferred income – Social Housing grants	1,411,470	1,435,089
Housing loans (note 13)	357,731	363,965
	<u>1,769,201</u>	<u>1,799,054</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

13 HOUSING LOANS

Borrowings included in creditors due within and after more than one year are as follows:

		2025 £	2024 £
Loan secured by mortgage on St Margarets Property repayable by equal annual instalments over 60 years at an interest rate of 14.75%, repayments commenced in 1978		35,718	36,716
Loan secured by mortgage on St Philips Court Property repayable by equal annual instalments over 60 years at an interest rate of 11.375%, repayment commenced in 1983		72,766	74,248
Loan secured by mortgage on St Marks Property repayable by equal annual instalments over 60 years at an interest rate of 10.25%, repayments commenced 1984		67,842	69,148
Loan secured by mortgage on St Bartholomews Property repayable by equal annual instalments over 60 years at an interest rate of 10.5%, repayments commenced 1987		181,405	183,853
Total secured borrowings		<u>357,731</u>	<u>363,965</u>
Loans are repayable as follows:			
Due within one year	Note 11	<u>6,268</u>	<u>5,613</u>
Due after more than one year:			
Between one and two years		7,000	6,268
Between two and five years		26,321	23,557
After more than 5 years		<u>324,410</u>	<u>334,140</u>
	Note 12	<u>357,731</u>	<u>363,965</u>
	Note 11 & 12	<u>363,999</u>	<u>369,578</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

14 RESTRICTED RESERVES

	Relief in Need capital fund	Relief in Need income fund	Total Relief in Need
	£	£	£
At 1 October 2024	318,640	76,092	394,732
Transfer (to) / from unrestricted reserves	(7,680)	-	(7,680)
Direct expenditure	-	(94,625)	(94,625)
Income	-	143,593	143,593
Revaluation gains/(losses)	23,715	-	23,715
Investment fees	-	(1,801)	(1,801)
At 30 September 2025	334,675	123,259	457,934

	Gloucester District Nursing Charity capital fund	Gloucester District Nursing Charity income fund	Total Gloucester District Nursing
	£	£	£
At 1 October 2024	378,425	112,420	490,845
Transfer (to) / from unrestricted reserves	(108,002)	-	(108,002)
Direct expenditure	-	(75,932)	(75,932)
Income	-	31,939	31,939
Revaluation gains/(losses)	10,765	-	10,765
Investment fees	-	(6,286)	(6,286)
At 30 September 2025	281,188	62,141	343,329

	Total Relief in Need	Total Gloucester District Nursing	Total Restricted
	£	£	£
At 1 October 2024	394,732	490,845	885,577
Transfer (to) / from unrestricted reserves	(7,680)	(108,002)	(115,682)
Direct expenditure	(94,625)	(75,932)	(170,557)
Income	143,593	31,939	175,532
Revaluation gains/(losses)	23,715	10,765	34,480
Investment fees	(1,801)	(6,286)	(8,087)
At 30 September 2025	457,934	343,329	801,263

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

The Relief in Need reserve is made up of the Relief in Need Branch investments and the accumulated surplus of income generated by these investments over Relief in Need expenditure. The reserve may be applied only for the purpose set out in the constitutional scheme of the Charity.

The Gloucester District Nursing Charity reserve is made up of the accumulated surplus of income over expenditure generated by investments.

15 ENDOWMENT FUNDS

	As at 30 September 2025 £	As at 1 October 2024 £
Expendable Endowment		
Gloucester Relief in Sickness Endowment	584,270	559,504
Permanent Endowment		
Gloucester Relief in Sickness Endowment Fund	240,823	230,425
Nurses Welfare Fund	95,164	90,999
Wheeler Rest Home Repair Fund	243,776	233,289
Endowed Land	1,184,000	1,184,000
	<u>2,348,033</u>	<u>2,298,217</u>

Expendable Endowment

An expendable endowment fund is a fund that must be invested to produce income. Depending on the conditions attached to the endowment, the trustees will have a legal power to convert all or part of it into an income fund which can then be spent.

An expendable endowment differs from an income fund in that there is no actual requirement to spend the principal for the purposes of the charity unless or until the trustees decide to. However, income generated from expendable endowment is no different from income generated from permanent endowment and should be spent for the purposes of the charity within a reasonable time of receipt.

Permanent Endowment

Permanent endowment is property of the charity (including land, buildings, cash or investments) which the trustees may not spend as if it were income.

It must be held permanently, sometimes to be used in furthering the charity's purposes, sometimes to produce an income for the charity. The trustees cannot normally spend permanent endowment without authority.

The terms of the endowment may permit assets within the fund to be sold and reinvested or may provide that some or all of the assets are retained indefinitely.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

Purposes of endowment funds

The Gloucester Relief in Sickness Charity (formerly part of the General and Welfare Fund) and the Gloucester Relief in Sickness Endowment Fund (formerly 14 Clarence Street) were established to relieve cases of persons in need in the area of the City of Gloucester and the parishes immediately adjoining thereto who are sick, convalescent, disabled, handicapped or infirm.

The Nurses Welfare Fund (formerly part of the General and Welfare Fund) was established to provide income for the relief of nurses who are in need and who are resident as above and of retired nurses who are in need and were formerly employed by the Gloucester District Nursing Society.

The Wheeler Rest Home Repair Fund combines the permanent endowments known as the Wheeler Legacy and the Wheeler Legacy Maintenance. These endowments were founded by the will of Violet Eva Wheeler and constituted the property 15, Heathville Road, Gloucester, and a capital sum the income of which is used to be used to meet the objects of the Charity. The property was sold during 2000 and the proceeds reinvested.

Endowed land is held to generate investment income.

16 UNRESTRICTED FUNDS

	Investment Revaluation £	Property Reserve £	Other £	Total £
As at 1 October 2024	4,385,005	9,078,499	7,238,022	20,701,526
Surplus for the year	26,445	-	317,086	343,531
Revaluation of investments	144,001	-	-	144,001
Revaluation of property	-	65,242	-	65,242
Net transfers between reserves	(36,577)	58,063	94,196	115,682
At 30 September 2025	4,518,874	9,201,804	7,649,304	21,369,982

17 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

The total of future minimum lease payments is as follows:

	2025 £	2024 £
Not later than one year	18,324	32,299
Later than one year and not later than five years	39,439	63,263
	57,763	95,562

The amount of non-cancellable operating lease payments recognised as an expense during the year was £28,764 (2024 - £34,729).

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

18 LEGAL STATUS

The Trust is a Registered Charity (number 205177) under the Charities Act 2011 and was constituted by way of a Scheme of the Charity Commissioners dated 4 April 1997. The Trust is also a Registered Social Landlord (number AO215) under section 5 of the Housing Associations Act 1985.

19 UNITING DIRECTION

A Uniting Direction was issued by the charity commission in 2009 for Gloucester District Nursing Charity and the Gloucester Charities Trust. The effect of this Uniting Direction was that the entities are registered under a common registration number and the trustees are required to prepare a single set of financial statements for the amalgamated charity.

20 TAXATION

The trust is a Registered Charity and is exempt from UK taxation on its charitable activities, no taxation therefore arises in respect of income.

21 RELATED PARTY TRANSACTIONS

Transactions with related parties in the year were solely in relation to the transfer of the Café trade within The Gloucester Charities Trust into a newly incorporated company with common Directors.

At the year end, the balance owed from related parties was £58,948 (2024 - £nil)

Accounts

Charity Registration No: 205177
Regulator of Social Housing Registration No: AO215

THE GLOUCESTER CHARITIES TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

CONTENTS

	Page
INFORMATION AND ADVISORS	1
REPORT OF THE TRUSTEES	2
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	13
STATEMENT OF COMPREHENSIVE INCOME	16
STATEMENT OF FINANCIAL POSITION	17
STATEMENT OF CHANGES IN RESERVES	18
CASH FLOW STATEMENT	19
NOTES TO THE FINANCIAL STATEMENTS	21

**THE GLOUCESTER CHARITIES TRUST
INFORMATION AND ADVISORS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

Registered Office and Principal Place of Business

Montpellier House
Montpellier
Gloucester
GL1 1LF

Bankers

NatWest Bank plc
21 Eastgate Street
Gloucester
GL1 1NH

Solicitors

Tayntons LLP
Clarence Chambers
8-12 Clarence Street
Gloucester
GL1 1DZ

Lodders Solicitors LLP
Glensanda House
1 Montpellier Parade,
Cheltenham
GL50 1UA

Auditor

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Investment Managers

Rathbones Group Plc and subsidiary Investec Wealth & Investment Limited (trading as Investec Wealth & Investment (UK))
30 Gresham Street
London
EC2V 7QN

Brewin Dolphin Limited (trading as RBC Brewin Dolphin)
St James' Square
Cheltenham
GL50 3PR

Registered Charity Number

205177

Regulator of Social Housing Registration Number

AO215

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

TRUSTEES' REPORT

The Trustees present their annual report and the audited financial statements for the year ended 30 September 2024

Aims and Objectives

The aims of the Charity are:

- Provision of quality sheltered accommodation at an affordable cost
- Extra care facilities for frail Almshouse residents
- Administer, effectively, the Relief in Need branch of the Charity.

The Trust beneficiaries are older people in need in the County of Gloucestershire. The beneficiary selection policy is in accordance with the provisions of The Scheme, which is the governing document of the Trust.

The Trust also separately administers the former Gloucester District Nursing Charity (which was united with the Trust in 2008).

The aims of Gloucester District Nursing Charity are:

- The relief of persons in need resident in the area of benefit who are convalescent, disabled, or infirm by relieving their suffering or assisting their recovery.
- The relief of nurses who are in need and are resident in the area of benefit; and
- The relief of any retired nurses who are in need and who were formerly employed by the Gloucester District Nursing Society

In exceptional cases the Trustees may grant relief to persons otherwise eligible who are resident outside the said area but in the opinion of the Trustees ought nevertheless for sufficient reason to be treated as if resident therein or who are located for the time being within that area.

Our vision

To increase the scope, impact and quality of care and support GCT provides to older people and the wider Gloucester community.

Our mission

To continue to provide high quality accommodation, care, and support services which enhance the lives of older people in our local Gloucestershire community and support others in need, of all ages, through direct grant aid.

Our values

- Safety and security
- Professionalism
- Adaptability
- Caring
- inclusivity

Our Strategic Aims

- To grow and become a leading, strategic, and influential housing, care and support services provider for older people offering a range of services (day, independent living and residential) to meet market demand.
- To operate and further develop exceptional Almshouses, offering additional care and support to maintain independent living.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

- To ensure high quality service delivery in our residential homes
- To expand our specialist dementia day care services in line with market demand to support those living independently as well as our own residents.
- To ensure GCT is fit for the future to deliver a financially and operationally sustainable organisation.
- To support our local communities through our Relief in Need grant giving
- To build our own internal strengths and capabilities to increase our impact ensuring our organisational structure can deliver our strategic plan.

Reference and Administrative Information

Principal Office: Montpellier House, Montpellier, Gloucester GL1 1LF

Mr Stephen Ayland	Mr Graham Howell
Mrs Lorraine Campbell	Mr Howard Hyman (appointed 20.05.2024)
Mr Martin Collins	Mrs Gail Johnson
Mrs Angela Conder	Dr Jan Lugg
Mr Terry Haines	Ms Anne Radley (appointed 20.05.2024)
Mrs Christine Harber (Vice Chair)	Miss Pam Tracey
Mr Stephen Heath (Chair)	Mr Martyn White
Mr Lee Hensley	Mrs Gill Payne (retired 31.12.2024)
Mr William Hewer	Mr Rylan Stubbins (resigned 27.01.2025)

The day to day running of the Trust affairs is managed by the Chief Executive, Mrs Kathryn Lewis.

Hazlewoods LLP provides audit services and related advice to the Trustees.

Tayntons Solicitors and Ladders Solicitors provide legal services and related advice to the Trustees.

NatWest Bank Plc provides financial services to the Trustees.

Rathbones (incorporating Investec Wealth & Investment) provide investment services to the Trustees.

RBC Brewin Dolphin provide investment services to the Trustees for the Gloucester District Nursing Charity funds.

Custodian Trustee – The Official Custodian

McCartneys LLP act as Land Agents for the Trust.

Ash & Co act as Commercial Agents for the Trust.

Structure, Governance and Management

The Charity is an unincorporated Charity (registration number 205177) with an unincorporated body of Trustees. The governing document of the Charity is The Scheme dated 4 April 1997 as amended by Scheme dated 16 December 1997 and Scheme dated 30 April 2001 registered with the Charity Commission. The Charity is a registered charity, an Almshouse charity, and a Registered Provider (RP). The Charity is registered with the Regulator of Social Housing, the Care Quality Commission (CQC) and is a member of the Almshouse Association.

The body of Trustees, when complete, consists of 18 Trustees of which nine are nominated Trustees and nine co-optative Trustees. The co-optative Trustees are individuals who through residence, occupation, or employment in or near the City of Gloucester have a specialist knowledge or interest in the work of the Charity. Of the nominated Trustees seven should be appointed by the Council of the City of Gloucester and two by the Committee of the Freeman and Freewomen of the City of Gloucester. The Trust has a Trustee Recruitment and Selection Policy and a separate Trustee Induction Policy which are reviewed every two years. Trustees are provided with an information

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

pack upon joining the Trust which contains the most recent audited financial statements, the latest management account information, minutes of the two most recent General Meetings, a short history of the Trust, the Trust Schemes, and a copy of Charities Commission booklet CC3 – The Essential Trustee What you need to know, and a list of the year's forthcoming meetings. In addition, they are also issued with any policies with which they need to comply, the Code of Governance and the Terms of Reference of the various sub-committees.

Existing Trustees can co-opt trustees if they have the relevant skills, knowledge and background that enable them to meet an existing skills gap on the Board of Trustees.

During 2023/2024 The Board of Trustees met bi-monthly to carry out the business of the Charity. GCT's Board has several sub-committees, Governance and Risk Management Finance and Property and Welfare (Staff and Residents) which comprise of Trustees with a specialist knowledge or skill in a particularly relevant area. These committees meet approximately 4-6 times per year and take forward recommendations to the main meetings of the full Trustee Board. Employees of the Charity report to the main Board of Trustees at the bi-monthly meetings or through a monthly information pack and may refer recommendations for the consideration and approval of all Trustees. The Trustees also hold an annual Strategy Day.

The day to day running of the Trust is delegated to the Chief Executive supported by a Senior Management Team.

The Trust also operates an Advisory Committee which consists of the Chair, Vice Chair and one other Trustee to which the Chief Executive can refer should a decision need to be made urgently.

The Trustees are required under charity legislation and Homes England to prepare financial statements that give a true and fair view of the charity's performance during and at the end of the financial year.

Public Benefit

The Trust's main charitable aim is to provide good quality, affordable accommodation for older people from the County of Gloucestershire to meet the variety of needs which this client group presents. The Trust owns and manages 137 sheltered housing flats at four locations within Gloucester, Guild House Residential Home, and Magdalen House Residential Home as well as the Kimbrose Club. The Trust therefore offers a range of services which support individuals living independently right through to those requiring full time care. The accommodation and care provided by the flats and Homes is open to the community of Gloucestershire subject to meeting the Trust's admission criteria. In addition, the Trust also offers a dedicated day care facility, The Kimbrose Club. The Club is open to older people (residents and non-residents) living with dementia, memory loss or depression and anxiety.

The Club is intended to accommodate those who live independently and have no personal care requirements.

The above meets the public benefit criteria and falls within the Charities Act 2006 charitable purpose defined as "relief of those in need by reasons of youth, age, ill-health, disability, financial hardship or other disadvantage". All the Trust's charitable activities focus on directly improving the lives of older people by providing a range of housing and care options. The Trust's Relief in Need activities also clearly meet the public benefit criteria and are available to non-residents, of any age, subject to the requirements of the governing document.

In the furtherance of these aims the Board, as the Charity Trustees, have complied with the duty in s.4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

The Trust awarded grants to the value of £8,569.34 to individuals and other good causes in the year via the Relief in Need and Gloucester District Nursing Charity schemes. There have not been as many applications during the year as expected, which is surprising given the exceedingly difficult circumstances so many individuals have found themselves in. We are working with other grant giving Charities in 2024 to try to reach more individuals and deserving causes. We continue to follow the swifter grant approval process which was approved by the Board and set up in 2020 to ensure we can provide immediate support wherever possible. All grants awarded are ratified by the full Board at our bi-monthly meetings.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

Review of achievements and performance for the year

As always, we have strived to provide the best possible care and support to all our residents and members. The year has been a particularly difficult one financially for the Trust due to experiencing higher than expected levels of voids in our homes and flats. The continued high energy and food prices coupled with the increases required in our salaries to maintain our Living Wage Foundation commitment all contributed significantly to us experiencing a sizeable overall deficit.

Our Day Services had a very good year where income was as expected and costs well controlled. We were also able to offer respite stays to our members by having dedicated rooms in Magdalen House for the use of Kimbrose members and our Almshouse residents. We did not complete the Kimbrose refurbishment during 2024, however the plans were approved by our Board and work has started in January 2025.

Recruitment and retention have been prioritised during the year, especially at Magdalen House where we undertook an innovative approach to recruitment creating "MagTag", a speed hiring event, where prospective applicants were interviewed by members of the management team, the CEO, and a Trustee. We recruited some excellent staff through this and all who attended said they enjoyed the experience far more than if traditional interviewing methods had been used.

Magdalen House is now well established as a residential home, and we have had near full occupancy for the past four months. We have a mix of privately funded and Adult Social Care funded residents living with us and most of our referrals come through the adult social care system. We have quickly established an excellent working relationship with those who refer into us, and we have maintained our excellent reputation for providing high quality care and support.

Guild House has maintained high levels of occupancy for the latter part of 2024. During the earlier part of the year, we were refurbishing resident rooms hence voids were higher than usual. It is always pleasing to note that we very rarely have to advertise any vacancies in Guild House as we have a waiting list of applicants, and our superb reputation means most of our referrals come via word of mouth.

We are awaiting planning approval for the refurbishment of the property we purchased next to our St Margarets site; unfortunately, we had to have numerous surveys and reports completed to submit to the Planning Department. We are very keen to get this project underway as are our St Margarets residents, who have been incredibly patient.

The Quinquennial inspection of our St Margaret Almshouses resulted in the tendering of significant works. The Trustees approved the appointment of a contractor who started the 26- week project in November 2024.

We have continued our programme of rebranding and have new signage, updated promotional material and a brand-new website in place.

Our ongoing review of our non-core assets resulted in the sale of Hewmar House and the last of our residential properties in Castlemorton. Our former Head Office, Century House has been leased to a local educational organisation who have an option to purchase during an agreed timescale. Our Board of Trustees has also decided to sell our property on Brunswick Road as this is not a core asset. The intention is to use the sales proceeds from our non-core assets to enable us to expand our sheltered housing offering and offer an enhanced housing service.

As planned, we reviewed the Strategic Plan and a refreshed version was approved by the Board in March 2024, with the emphasis being on ensuring GCT is an organisation which is fit for the future, operationally and financially.

During the year we held an event to celebrate those staff who have worked for GCT for at least ten years. Each was presented with flowers, a long service pin, a Certificate of Long Service, and a financial award. The event was very well attended, staff said they thoroughly enjoyed the event as it brought together staff from all around the Trust. It was very pleasing to note they all felt valued and appreciated. It is our intention to hold such celebratory events annually to continue to promote our positive workplace culture.

THE GLOUCESTER CHARITIES TRUST REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2024

In our previous year's Trustee report we stated our intentions for the next year, and we are pleased to report that we made significant progress against these.

- We reviewed our Code of Governance and adopted the Code of Governance for Larger Charities. We completed the self-assessment associated with the code and are confident of our ability to comply with most requirements. We have plans in place to ensure compliance is achieved in the areas we have not assessed ourselves as fully compliant.
- The review of our Terms of Reference for our sub-committees took place and some amendments made.
- All our Policies were reviewed and updated during the year.
- We devised and implemented a three-day programme for all our mandatory training requirements.
- Our phased refurbishment of our homes continued with the installation of new windows and the creation of a restaurant style dining room at Magdalen House. We installed air-conditioning on Grace Wing and replaced all our external stone pathways at Guild with modern, safe, resin pathways.
- We installed PV panels on our roof at Montpellier House
- We adopted the Regulator of Social Housing new Consumer Standards into our housing specific policies and processes in addition to the adoption of the Housing Ombudsman Complaints Handling Code which necessitated a new set of housing specific policies.
- We developed a digital solution for Trustees to access Governance resources and are working towards paperless meetings.
- Expenditure was approved for the refurbishment of the ground floor communal lounge and kitchen at our St Marks site and the works were completed in December 2024.

Future Plans

- Creation of Workforce Strategy which aligns with the Workforce Strategy for Adult Social Care in England
- Develop our Housing Strategy and QA and Audit Framework in line with the Regulator of Social Housing Consumer and Economic Standards and the Housing Ombudsman Complaints Handling Code
- Implementation of our newly approved Day Services QA & Audit framework and associated audits
- Conduct a full review of our Regulated Activities QA and Audit Framework
- Create a GCT Dementia Strategy
- Create a GCT End of Life Strategy
- Continue with our digitisation programme and reduce our reliance on paper documents
- Progress our IT Road map

Risks

The Trustees have considered the financial and operational risks to which the Trust is potentially exposed and have introduced policies and management structures to mitigate them. The biggest risk to us is maintaining high levels of occupancy especially as Magdalen House is effectively a new service which needs to be built up. We must also ensure we have a stable management team leading in our service areas. We have not been successful in recruiting Registered Managers who share the same ethos and commitment to our residents and staff as we expect. If we do not have effective leadership, we will not achieve our goals.

Our financial controls are designed to minimise the risk of fraud or other losses and are regularly reviewed and updated. We appointed a new Finance Manager during the year, and she is making improvements in the way in which the Finance Department operates, and the information produced for management and Trustee purposes. The Trust has appropriate insurance coverage for the activities in which it is involved. The Trust's reserves policy allows the Trust to continue operating for several years with a trading deficit if the Trustees decide this is warranted. This is particularly the case in the creation of new services, which Magdalen House effectively is now, which may take several years to break even. Risk management is embedded in all areas of the Trust's operations as a key activity that is to be continually reviewed and assessed.

The Trust has a detailed Key Risk Register which is regularly updated by the CEO and management team in conjunction with the relevant sub-committee and reviewed by the Governance and Risk Management Committee on a six-monthly basis as well as by each individual committee where they review the risks specifically associated with the remit of that committee. The Key Risk Register has now been split into a Strategic Risk Register and an Operational Risk Register.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

Investment policy and objectives

The investment policy provides for a broad-based portfolio of both financial and property investments to provide income for the Relief-in-Need branches, and security of endowed capital. This is particularly relevant when Trustees are looking at the potential cost of the major development projects which they have commissioned. The importance of keeping the reserves at a level which is sufficient to fund the future upkeep and development of Trust properties continues to be a major consideration for Trustees. The Trust also aims to maximise the income on temporarily invested restricted funds.

The Charity Commission Scheme dated 4 April 1997 empowers the Trustees to make such arrangements as they think fit for any investments of the Charity to be held by a corporate body which is incorporated in England and Wales as the Trustees' nominee.

Clear investment direction is provided to the Investment Managers at the annual review meeting; however, the Trustees have not felt it necessary or appropriate to give specific instructions regarding the extent that social, environmental, or ethical considerations are taken into account, in relation to the retention and realisation of investments. The Trustees conducted a review of Ethical Investing at their Strategy Day in July 2025 and, whilst mindful of the importance of investments meeting moral, social, and religious values, the returns on investments are crucial for the Board to be able to support individuals and good causes through our Grant Giving branch.

Reserves policy

Under the Housing SORP 2014 designated funds are no longer permitted and must revert to normal unrestricted reserves. The unrestricted reserves of the Trust therefore include those previously designated as either Cyclical Maintenance Fund (CMF) or Extraordinary Repair Fund (ERF) reserves.

The Trustees are satisfied that the reserves held are commensurate with the scale of operations. Most of the Trust's fixed assets are held either in our housing or investment properties therefore the level of reserves is commensurate with the contingency required to ensure the ongoing business of the Trust. Details of the levels of reserves at the year end, and the policies attached to each reserve, can be found in notes 14 to 16 of these financial statements.

Key Value for Money Metrics

In April 2018 the Regulator of Social Housing has introduced a requirement of small registered social housing landlords to include their Value for Money (VFM) metrics in their annual financial statements.

Below are the seven metrics for the Trust. Figures are in Pounds Sterling.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

Metric 1 – Reinvestment %

This metric looks at the investment in properties as a percentage of the value of the total properties held (THP – Total Housing Properties). The reinvestment activities include development and/or acquisition of new properties and major maintenance works carried out in our existing properties (i.e. central heating upgrades, new kitchens and bathrooms installations etc).

	2023/24	2022/23
Development of New Properties (THP)	-	-
Newly build properties acquired (THP)	-	-
Works to Existing (THP)	75,205	139,578
Divided by:		
Housing Properties at net book value	2,679,717	2,691,382
Outcome	3%	5%

Metric 2 – New Supply Delivered %

The New Supply metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at 30 September 2024.

	2023/24	2022/23
a. Social Housing Units		
Total Social Housing Units Developed or Newly Built Units Acquired In-Year	-	-
Divided by Total Social Housing Units (inc. Shared Ownership)	137	137
Outcome	0%	0%
b. Non-Social Housing Units		
Total Non-Social Units Developed or Newly Built Units Acquired In-Year (Owned). (Total non-social rental housing units owned, non-social leasehold units owned, new outright sale units developed or acquired).	-	-
Divided by Total and Non-Social Housing Units Owned (Period End). (Total social housing units owned, total non-social rental housing units owned, social leasehold units owned, non-social leasehold units owned (Period end))	-	-
Outcome	0%	0%

THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Metric 3 – Gearing %

This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance.

	2023/24	2022/23
Total of:		
Short-Term Loans	5,613	5,028
Long-Term Loans	369,612	369,579
Less Cash and Cash Equivalents	(2,594,245)	(2,583,316)
Divided by:		
Housing Properties at net book value	2,679,717	2,691,381
Outcome	-83%	-82%

Metric 4 – Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %

The EBITDA MRI interest cover measure is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates compared to interest payable.

	2023/24	2022/23
Operating Surplus / (Deficit)	265,775	50,256
Less Gain / (loss) on disposal of fixed assets (housing properties)	-	-
Less Amortised Government grant	-	-
Plus Interest receivable	-	-
Less Capitalised major repairs expenditure for period	(75,205)	(139,578)
Plus Total depreciation charge for period	148,562	181,271
Divided by:		
Interest Capitalised	-	-
Plus Interest payable and financing costs	41,325	41,939
Outcome	662%	219%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

Metric 5 – Headline Social Housing Cost Per Unit

	2023/24	2022/23
Total of:		
Management Costs	48,718	99,432
Service Charge Costs	970,515	825,699
Routine Maintenance Costs	43,459	32,968
Planned Maintenance Costs	20,139	93,443
Bad Debts	678	1,604
Depreciation of housing properties	148,562	181,271
Other Social Housing Costs	-	-
Divided by:		
Total Social Housing Units Owned and Managed at the Period End	137	137
Outcome	8,993	9,010

Metric 6 – Operating Margin %

The Operating margin demonstrates the profitability of operating assets before exceptional expenses are considered.

The Association's operating margin shows that the organization uses its resources efficiently. The social housing lettings excludes the social housing grant amortisation.

	2023/24	2022/23
a. Social Housing Lettings	14%	4%
b. Overall	-8%	-12%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

Metric 7 – Return on Capital Employed (ROCE) %

This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources. The ROCE metric would support registered providers with a wide range of capital investment programmes.

	2023/24	2022/23
Operating Surplus / (Deficit) inc. Gain / (Loss) on Disposal of Fixed Assets (Housing Properties)	200,070	50,256
Divided by:		
Total Assets less Current Liabilities	25,684,376	24,568,434
Outcome	1%	0%

Commentary

We are conscious of our obligations to provide value for money in the services we provide, as evidenced in the metrics included in these financial statements. The metrics above are applicable to the Almshouse activities of the charity, and therefore the information provided relates solely to the Almshouses where relevant.

The Almshouses are just one part, albeit a very important one, of the overall care activities of the charity. Unlike most providers of social housing, the charity derives most of its income from other activities. As a result, it is difficult to benchmark the metrics as the activities of the charity are relatively unique. The trustees do, however, consider the metrics to be within their expectations and show a very positive outlook for the Almshouse activities and the charity as a whole.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Registered Social Housing Legislation and the Charities Act 2011 require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Charity's affairs and of its income and expenditure for the period. In preparing those financial statements, the Trustees are required to: -

- 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 financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Scheme of the Charity Commissioners dated 4 April 1997 by which the Charity was constituted, Section 1 to the Housing Act 2006, Charities Act 2011, the Statement of Recommended Practice – Accounting by Registered Social Landlords and the Accounting Requirements for Registered Social Landlords General Determination 2022. They are also responsible for taking reasonable steps to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Auditors

Hazlewoods acted as auditors during the year.

Approved and authorised for issue by the Trustees on **21/03/2025**



Mr Martin Collins ~ Chairman of the Finance Committee



Mr Stephen Heath – Chairman of Trustees

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

Opinion

We have audited the financial statements of The Gloucester Charities Trust for the year ended 30 September 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. 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).

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2024 and of its incoming resources and application of resources, including its income and expenditure, 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. 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.

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

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.

Opinion on other matters prescribed by the Charities Act 2011

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

- the information given in the Report of the Trustees for the financial period for which the financial statements are prepared is consistent with the financial statements.
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all of the information and explanations we require for our audit.

Respective responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISA's (UK).

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

- We obtained an understanding of the legal and regulatory frameworks applicable to the company financial statements or that had a fundamental effect on the company's operations. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and taxation laws.
- We understood how the company is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process. Detailed analysis of journals posted through the accounting system during the year to 30 September 2024 has been undertaken;
 - Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud, and they appeared to be working effectively;
 - Challenging assumptions and judgements made by management in its significant accounting estimates.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 154 of the Charities Act 2011. Our 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.

Martin Howard

Martin Howard (Senior Statutory Auditor)

Date: 27/3/2025

**For and on behalf of Hazlewoods LLP
Statutory Auditors**

Windsor House
Bayshill Road
Cheltenham
Gloucestershire
GL50 3AT

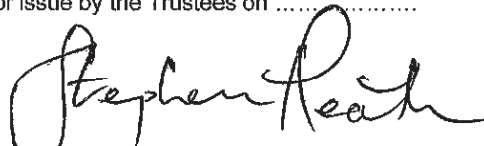
**THE GLOUCESTER CHARITIES TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

	Note	2024 £	2023 £
TURNOVER	2	5,015,770	4,976,694
COVID income	2	-	5,291
Operating costs	2	<u>(5,393,538)</u>	<u>(5,583,748)</u>
OPERATING DEFICIT	2	(377,768)	(601,763)
Surplus on disposal of tangible fixed assets		258,762	61,186
Surplus on disposal of fixed asset investments		<u>60,854</u>	<u>189,205</u>
DEFICIT ON ORDINARY ACTIVITIES BEFORE INVESTMENT INCOME AND INTEREST		(58,152)	(351,372)
Interest receivable and other income	6	230,958	149,764
Interest payable and similar charges	7	<u>(47,333)</u>	<u>(47,962)</u>
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE CHANGES IN MARKET VALUE OF INVESTMENTS		125,473	(249,570)
Movement in fair value of investments		<u>672,960</u>	<u>(23,748)</u>
SURPLUS/(DEFICIT) FOR THE YEAR		798,433	(273,318)
Unrealised surplus on revaluation of investment property		346,742	1,600,892
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,145,175</u>	<u>1,327,574</u>

These financial statements were approved and authorised for issue by the Trustees on **21/03/2025**



Mr Martin Collins
Chairman of Finance Committee
The Gloucester Charities Trust



Mr Stephen Heath
Chairman of Trustees
The Gloucester Charities Trust

The Trust's results relate wholly to continuing activities.

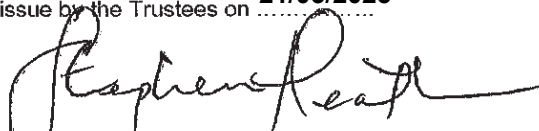
The notes on pages 22 to 35 form part of these financial statements.

**THE GLOUCESTER CHARITIES TRUST
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

	Note	2024	2023
FIXED ASSETS			
Housing properties		2,679,717	2,691,382
Extra care facilities and head office		4,808,324	4,829,084
Investment properties		9,078,499	8,949,394
Other assets		<u>559,186</u>	<u>289,976</u>
Tangible fixed assets	8	17,125,726	16,759,836
Investments	9	<u>6,196,286</u>	<u>5,549,299</u>
		23,322,012	22,309,135
CURRENT ASSETS			
Stock		1,635	1,635
Debtors	10	268,184	138,484
Cash at bank and in hand		<u>2,594,245</u>	<u>2,583,316</u>
		2,864,064	2,723,435
CREDITORS: amounts falling due within one year	11	<u>(501,700)</u>	<u>(464,136)</u>
NET CURRENT ASSETS		<u>2,362,364</u>	<u>2,259,299</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>25,684,376</u>	<u>24,568,434</u>
CREDITORS: amounts falling due after more than one year	12	<u>1,799,054</u>	<u>1,828,287</u>
FINANCING AND RESERVES			
Restricted reserves	14	885,577	1,198,883
Unrestricted funds	16	20,701,526	19,408,275
Endowment funds	15	<u>2,298,217</u>	<u>2,132,989</u>
		23,885,322	22,740,147
		<u>25,684,376</u>	<u>24,568,434</u>

These financial statements were approved and authorised for issue by the Trustees on **21/03/2025**


Mr Martin Collins
Chairman of Finance Committee
The Gloucester Charities Trust


Mr Stephen Heath
Chairman of Trustees
The Gloucester Charities Trust

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 30 SEPTEMBER 2024

2024	Restricted Reserves £	Unrestricted Funds £	Endowment Funds £	Total £
Balance at 1 October 2023	1,198,883	19,408,275	2,132,989	22,740,147
Total comprehensive income	95,185	884,782	165,228	1,145,175
Transfers	(408,491)	408,491	-	-
Balance at 30 September 2024	885,577	20,701,528	2,298,217	23,885,322

2023	Restricted Reserves £	Unrestricted Funds £	Endowment Funds £	Total £
Balance at 1 October 2022	1,166,756	18,175,923	2,069,894	21,412,573
Total comprehensive income	32,127	1,232,352	63,095	1,327,574
Balance at 30 September 2023	1,198,883	19,408,275	2,132,989	22,740,147

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2024

	2024	2023 £
Net cash absorbed by operating activities (note i)	(115,973)	(393,157)
Cash flow from investing activities		
Purchase of investment securities	(1,240,182)	(1,546,160)
Sale and maturity of investment securities	1,327,008	1,390,017
Purchase of tangible fixed assets	(797,902)	(1,240,156)
Sales proceeds from disposal of tangible fixed assets	658,763	2,943,700
Interest received	75,966	8,649
	23,653	1,556,050
Cash flow from financing activities		
Dividends received	154,992	141,115
Interest paid	(47,333)	(47,962)
Repayment of borrowings	(4,410)	(4,540)
	103,249	88,613
Net change in cash and cash equivalents (note ii)	10,929	1,251,506
Cash and cash equivalents at beginning of year	2,583,316	1,331,810
Cash and cash equivalents at end of year	2,594,245	2,583,316

	2024 £	2023 £
i) ANALYSIS OF CASH FLOWS		
Cash flow from operating activities		
Surplus/(deficit) for the year before revaluation of investments and investment property	112,647	(249,570)
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	378,755	393,534
Surplus on sale of fixed asset investments	(48,028)	(189,205)
Surplus on sale of tangible fixed assets	(258,762)	(61,186)
(Increase) / decrease in debtors	(129,700)	53,930
Increase / (decrease) in creditors	36,359	(215,239)
Adjustments for investing or financing activities:		
Government grants utilised in the year	(23,619)	(23,619)
Interest payable	47,333	47,962
Interest Receivable	(75,966)	(8,649)
Dividends received	(154,992)	(141,115)
Net cash absorbed by operating activities	(115,973)	(393,157)

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2024

ii) ANALYSIS OF NET DEBT

	At 1 October 2023 £	Cash flow £	Non-cash movement £	Total 2024 £
Cash at bank and in hand	2,583,316	10,929	-	2,594,245
Debt due within one year	(5,028)	5,028	(5,613)	(5,613)
Debt due in more than one year	(374,607)	-	4,995	(369,612)
Net debt	2,203,681	15,957	(618)	2,219,020

**THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

1 ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom including Financial Reporting Standard (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis of accounting

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, rounded to the nearest pound, being the functional currency of the primary economic environment in which the Trust operates.

Turnover

Turnover represents weekly maintenance contributions, nursing home fees, residential home fees and commercial rent-receivable.

Going concern

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation, with the exception of investment properties which are shown at open market value. Depreciation is charged on a straight-line basis over the expected economic useful lives of the assets at the following rates per annum:

Freehold housing properties	See below
Refurbishments	5%-12.5%
Office fixtures and fittings	20%
Motor vehicles	25%
Nursing Home and Day Centre fixed equipment	10%-20%

**THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

1 ACCOUNTING POLICIES (continued)

Housing properties

The Trust accounts for its expenditure on housing properties using component accounting. Under component accounting, in addition to the structure, the housing property is divided into those major components which are considered to have substantially different useful economic lives as follows:

Main Fabric	100 years
Roof	50 years
Windows and doors	20 years
Bathrooms	10 years
Electrics	20 years
Lifts	20 years
Heating	15 years
Kitchens	10 years

As required by FRS 102, the Trust has reviewed the useful economic lives of its housing properties and depreciates the property accordingly.

The Trust capitalises work to existing properties which results in an increase in the net rental income, including a reduction in maintenance costs, or results in significant extension to the useful economic life of the property.

Where property components with a separate identifiable life are replaced, the new components are capitalised with new life and the old components, if any, are written off.

Housing properties in the course of construction are stated at cost and are not depreciated.

Social Housing Grant and Other Capital Grants

Where developments have been financed wholly or partly by Social Housing Grant "SHG" (formerly "HAG"), the grants are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

SHG and HAG is repayable under certain circumstances, primarily following sale of a property but will normally be restricted to proceeds of sale, if this is lower than the initial grant received.

Government Grant

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants relating to revenue are recognised in income over the period in which the related costs are recognised.

Capitalisation of interest

Interest on mortgage loans financing new developments is capitalised up to the date of practical completion of the scheme.

Leased assets

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Investments

Investments are stated at market value and are in accordance with the valuation reports received from the Investment Managers.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

1 ACCOUNTING POLICIES (continued)

Trade debtors

Trade debtors are amounts due from customers for the rental of Housing properties.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Trade Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Taxation

The Trust is of charitable status and therefore exempt from taxation. Irrecoverable VAT on expenditure is included as part of the cost of the item of expenditure to which the VAT relates.

Pension costs

The Charity operates a defined contribution pension scheme. Contributions are charged to the income and expenditure accounts as they become payable in accordance with the rules of the scheme.

Legacy income

Legacy income is recognised in the income and expenditure account on a receivable basis.

Restricted reserves

These are detailed in note 14 to the financial statements.

Endowment Funds

These are detailed in note 15 to the financial statements.

Financial instruments

The trust only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other receivables and payables, and investments in non-puttable ordinary shares.

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets or financial liabilities.

Debt instruments like loans and other receivables and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Investments in non-puttable ordinary shares are measured at cost less impairment for all other investments.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

1 ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying value and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the trust would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount recognised in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

At each reporting date non-financial assets not carried at fair value, such as property, plant and equipment are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less costs to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in the reported surplus or deficit.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

2 PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

2024	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£	£	£
Social housing lettings (see note 3)	1,432,142	(1,232,071)	200,071
Grant income	23,619	-	23,619
Activities other than social housing			
Investment property lettings	189,508	-	189,508
Charitable giving	-	(130,441)	(130,441)
Administration costs	-	(186,912)	(183,312)
Kimbrose Club	300,210	(292,039)	8,171
Extra-care facility	2,974,413	(3,419,749)	(445,335)
Other income	95,878	(132,326)	(36,449)
Total	5,015,770	(5,393,538)	(377,769)
2023	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£	£	£
Social housing lettings (see note 3)	1,284,673	(1,234,417)	50,256
Grant income	23,619	-	23,619
Activities other than social housing			
Investment property lettings	267,970	-	267,970
Charitable giving	-	(63,644)	(63,644)
Administration costs	-	(263,849)	(263,849)
Kimbrose Club	223,299	(241,748)	(18,449)
Extra-care facility	3,089,965	(3,653,937)	(563,972)
Other income	92,459	(126,153)	(33,694)
Total	4,981,985	(5,583,748)	(601,763)

All income is generated within the United Kingdom.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

3 PARTICULARS OF TURNOVER AND OPERATING EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	Supported housing (including housing for older people)	
	2024	2023
	£	£
Income		
Rent receivable net of identifiable service charges	741,920	641,418
Service charge income	664,403	622,175
Other income	25,819	21,080
Turnover from social housing lettings	1,432,142	1,284,673
Operating expenditure		
Management	48,718	99,432
Service charge costs	970,515	825,699
Routine maintenance	43,459	32,968
Planned maintenance	20,139	93,443
Bad debts	678	1,604
Depreciation of housing properties	148,562	181,271
Operating expenditure on social housing lettings	1,232,071	1,234,417
Operating surplus on social housing Lettings	200,071	50,256
Void losses	74,572	55,485

During the year ended 30 September 2024, the Charity owned 137 units of social housing accommodation under its own management (2023 - 137).

The average weekly maintenance contribution on social housing accommodation was £105.34 (2023 - £93.95).

There were no general needs housing or other categories for the social housing lettings.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

4 EMPLOYEES

	2024	2023
Average number of employees expressed in full time equivalents	<u>126</u>	<u>131</u>
Employees costs during the year		
Wages and salaries	3,036,602	3,004,310
Social security costs	217,389	222,296
Other pension costs	<u>67,301</u>	<u>71,886</u>
	<u>3,321,292</u>	<u>3,298,492</u>
Emoluments to Chief Executive Officer	<u>107,820</u>	<u>106,255</u>

The CEO is an ordinary member of the Trust Group Personal Pension Scheme and there are no special terms applied. The contribution made by the Trust is 8% of gross salary; CEO pays 3% individual contribution, which is the same as all other members of the Pension Scheme. The CEO has no other personal pension agreement to which the Trust makes a contribution.

The above represents the emoluments of the highest paid officer. The Trustees, who constitute the managing body of the trust, received no remuneration therefrom. One employee of the trust was paid between £100,000 and £110,000 and nil paid between £90,000 and £100,000 (2023 – one paid between £100,000 and £110,000, nil paid between £90,000 and £100,000).

Payments for redundancy or termination of contracts made in the year amounted to £nil (2023 - £nil).

The Trust has no officers other than the Trustees and the Chief Executive.

5 AUDITOR'S REMUNERATION

	2024 £	2023 £
Remuneration payable to the auditor including Value Added		
Tax was as follows:		
For audit services	11,400	11,100
For other advisory services	<u>1,200</u>	<u>-</u>
	<u>12,600</u>	<u>11,100</u>

Other advisory services during the year relate to VAT advice.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

6 INTEREST RECEIVABLE AND OTHER INCOME

	2024	2023
	£	£
Investment income		
Dividend income	154,992	141,115
Interest receivable	75,966	8,649
	<u>230,958</u>	<u>149,764</u>

7 INTEREST PAYABLE

	2024	2023
	£	£
Interest payable and similar charges		
Housing corporation loans (see note 13)	41,325	41,849
Bank charges payable	6,008	6,113
	<u>47,333</u>	<u>47,962</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

8	TANGIBLE FIXED ASSETS	Housing properties £	Extra-care facility and head office £	Investment properties £	Fixtures and fittings £	Motor vehicles £	Total £
	Cost or valuation						
	At 1 October 2023	4,628,360	6,909,344	8,949,394	2,815,934	92,607	23,396,639
	Additions	75,205	274,322	29,999	418,377	-	797,902
	Transfers	-	(200,489)	152,364	-	-	(48,125)
	Revaluation	-	-	346,742	-	-	346,742
	Disposals	-	-	(400,000)	(864,042)	-	(1,264,042)
	At 30 September 2024	4,704,565	6,983,177	9,078,499	2,370,269	92,607	23,229,117
	Depreciation						
	At 1 October 2023	1,937,978	2,080,260	-	2,540,688	77,877	6,636,803
	Charge for the year	86,870	142,717	-	143,950	5,218	378,755
	Transfers	-	(48,125)	-	-	-	(48,125)
	Eliminated on disposal	-	-	-	(864,042)	-	(864,042)
	At 30 September 2024	2,024,848	2,174,852	-	1,820,596	83,095	6,103,391
	NET BOOK VALUE						
	At 30 September 2024	2,679,717	4,808,325	9,078,499	549,673	9,512	17,125,726
	At 30 September 2023	2,691,382	4,829,084	8,949,394	275,246	14,730	16,759,836

The extra-care facility is a freehold nursing home, a day care centre and a residential home. All other properties above are also freehold. The investment properties are commercially let. Investment properties were revalued during the year by the Trustees following consultations with McCarneys LLP, Chartered Surveyors and Bruton Knowles. The historical cost of the investment properties at 30 September 2024 is £5,229,929 (2023 - £5,331,295).

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

9 INVESTMENTS

	Total £
At 1 October 2023	5,549,299
Additions	1,240,182
Disposals	(1,266,155)
Change in market value	672,960
At 30 September 2024	<u>6,196,286</u>
Cost:	
30 September 2024	<u>4,704,529</u>
30 September 2023	<u>4,649,257</u>

All investments are quoted.

No individual investment makes up more than 5% of the total investment portfolio.

10 DEBTORS

	2024 £	2023 £
Trade debtors	168,847	42,680
Other debtors and prepayments	<u>99,337</u>	<u>95,804</u>
	<u>268,184</u>	<u>138,484</u>

11 CREDITORS – due within one year

	2024 £	2023 £
Trade creditors	69,833	170,939
Other creditors and accruals	398,843	262,231
Deferred income – Social Housing grants	23,619	23,619
Housing loans (note 13)	5,613	5,028
VAT liability	<u>3,792</u>	<u>2,319</u>
	<u>501,700</u>	<u>464,136</u>

12 CREDITORS – due after more than one year

	2024 £	2023 £
Deferred income – Social Housing grants	1,435,089	1,458,708
Housing loans (note 13)	<u>363,965</u>	<u>369,579</u>
	<u>1,799,054</u>	<u>1,828,287</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

13 HOUSING LOANS

Borrowings included in creditors due within and after more than one year are as follows:

	2024	2023
	£	£
Loan secured by mortgage on St Margarets Property repayable by equal annual instalments over 60 years at an interest rate of 14.75%, repayments commenced in 1978	36,716	37,685
Loan secured by mortgage on St Philips Court Property repayable by equal annual instalments over 60 years at an interest rate of 11.37%, repayment commenced in 1983	74,248	75,576
Loan secured by mortgage on St Marks Property repayable by equal annual instalments over 60 years at an interest rate of 10.25%, repayments commenced 1984	69,148	70,330
Loan secured by mortgage on St Bartholomews Property repayable by equal annual instalments over 60 years at an interest rate of 10.5%, repayments commenced 1987	183,853	186,060
Total secured borrowings	<u>363,965</u>	<u>369,579</u>
Loans are repayable as follows:		
Due within one year	Note 11	5,613
		5,028
Due after more than one year:		
Between one and two years	6,268	5,613
Between two and five years	23,557	21,087
After more than 5 years	<u>334,140</u>	<u>342,879</u>
	Note 12	363,965
		369,579
	Note 11 & 12	<u>369,578</u>
		<u>374,607</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

14 RESTRICTED RESERVES

	Relief in Need capital fund	Relief in Need income fund	Total Relief in Need
	£	£	£
At 1 October 2023	520,099	-	520,099
Transfer (to) / from unrestricted reserves	(275,995)	11,377	(264,618)
Direct expenditure	-	(58,845)	(58,845)
Income	-	123,560	123,560
Revaluation gains/(losses)	76,293	-	76,293
Investment fees	(1,757)	-	(1,757)
At 30 September 2024	318,640	76,092	394,732

	Gloucester District Nursing Charity capital fund	Gloucester District Nursing Charity income fund	Total Gloucester District Nursing
	£	£	£
At 1 October 2023	678,784	-	678,784
Transfer (to) / from unrestricted reserves	(306,457)	162,584	(143,873)
Direct expenditure	-	(81,596)	(81,596)
Income	-	31,432	31,432
Revaluation gains/(losses)	16,546	-	16,546
Investment fees	(10,448)	-	(10,448)
At 30 September 2024	378,425	112,420	490,845

	Total Relief in Need	Total Gloucester District Nursing	Total Restricted
	£	£	£
At 1 October 2023	520,099	678,784	1,198,883
Transfer (to) / from unrestricted reserves	(264,618)	(143,873)	(408,491)
Direct expenditure	(58,845)	(81,596)	(140,441)
Income	123,560	31,432	154,992
Revaluation gains/(losses)	76,293	16,546	92,839
Investment fees	(1,757)	(10,448)	(12,205)
At 30 September 2024	394,732	490,845	885,577

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

The Relief in Need reserve is made up of the Relief in Need Branch investments and the accumulated surplus of income generated by these investments over Relief in Need expenditure. The reserve may be applied only for the purpose set out in the constitutional scheme of the Charity.

The Gloucester District Nursing Charity reserve is made up of the accumulated surplus of income over expenditure generated by investments.

During the year, the Relief in Need and GDNC funds were split into capital and income funds, to reflect the income and expenditure being utilised for those in need. At the year end, the balance in the relief in need income account was £76,092 and in the capital account was £318,640. The balance in the GDNC income account at the year end was £112,420 and in the capital account was £378,425.

15 ENDOWMENT FUNDS

	As at 30 September 2024 £	As at 1 October 2023 £
Expendable Endowment		
Gloucester Relief in Sickness Endowment	559,504	477,930
Permanent Endowment		
Gloucester Relief in Sickness Endowment Fund	230,425	196,611
Nurses Welfare Fund	90,999	77,496
Wheeler Rest Home Repair Fund	233,289	196,952
Endowed Land	1,184,000	1,184,000
	2,298,217	2,132,989

Expendable Endowment

An expendable endowment fund is a fund that must be invested to produce income. Depending on the conditions attached to the endowment, the trustees will have a legal power to convert all or part of it into an income fund which can then be spent.

An expendable endowment differs from an income fund in that there is no actual requirement to spend the principal for the purposes of the charity unless or until the trustees decide to. However, income generated from expendable endowment is no different from income generated from permanent endowment and should be spent for the purposes of the charity within a reasonable time of receipt.

Permanent Endowment

Permanent endowment is property of the charity (including land, buildings, cash or investments) which the trustees may not spend as if it were income.

It must be held permanently, sometimes to be used in furthering the charity's purposes, sometimes to produce an income for the charity. The trustees cannot normally spend permanent endowment without authority.

The terms of the endowment may permit assets within the fund to be sold and reinvested or may provide that some or all of the assets are retained indefinitely.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Purposes of endowment funds

The Gloucester Relief in Sickness Charity (formerly part of the General and Welfare Fund) and the Gloucester Relief in Sickness Endowment Fund (formerly 14 Clarence Street) were established to relieve cases of persons in need in the area of the City of Gloucester and the parishes immediately adjoining thereto who are sick, convalescent, disabled, handicapped or infirm.

The Nurses Welfare Fund (formerly part of the General and Welfare Fund) was established to provide income for the relief of nurses who are in need and who are resident as above and of retired nurses who are in need and were formerly employed by the Gloucester District Nursing Society.

The Wheeler Rest Home Repair Fund combines the permanent endowments known as the Wheeler Legacy and the Wheeler Legacy Maintenance. These endowments were founded by the will of Violet Eva Wheeler and constituted the property 15, Heathville Road, Gloucester, and a capital sum the income of which is used to be used to meet the objects of the Charity. The property was sold during 2000 and the proceeds reinvested.

Endowed land is held to generate investment income.

16 UNRESTRICTED FUNDS

	Investment Revaluation £	Property Reserve £	Other £	Total 2024 £
As at 1 October	243,571	7,846,825	11,317,879	19,408,275
Surplus for the year	-	-	208,437	208,437
Revaluation of investments	419,127	346,742	-	765,869
Revaluation reserve on disposals	(89,546)	-	-	(89,546)
Net transfers between reserves	3,811,853	884,932	(4,288,294)	408,491
		-		
At 30 September	4,385,005	9,078,499	7,238,022	20,701,526

17 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

The total of future minimum lease payments is as follows:

	2024 £	2023 £
Not later than one year	32,299	25,125
Later than one year and not later than five years	63,263	10,666
	95,562	35,791

The amount of non-cancellable operating lease payments recognised as an expense during the year was £34,729 (2023 - £20,583).

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

18 LEGAL STATUS

The Trust is a Registered Charity (number 205177) under the Charities Act 2011 and was constituted by way of a Scheme of the Charity Commissioners dated 4 April 1997. The Trust is also a Registered Social Landlord (number AO215) under section 5 of the Housing Associations Act 1985.

19 UNITING DIRECTION

A Uniting Direction was issued by the charity commission in 2009 for Gloucester District Nursing Charity and the Gloucester Charities Trust. The effect of this Uniting Direction was that the entities are registered under a common registration number and the trustees are required to prepare a single set of financial statements for the amalgamated charity.

20 TAXATION

The trust is a Registered Charity and is exempt from UK taxation on its charitable activities, no taxation therefore arises in respect of income.

21 RELATED PARTY TRANSACTIONS

There were no transactions with related parties in the current or prior year.

Accounts

Charity Registration No: 205177
Regulator of Social Housing Registration No: AO215

THE GLOUCESTER CHARITIES TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

C O N T E N T S

	Page
INFORMATION AND ADVISORS	1
REPORT OF THE TRUSTEES	2
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	14
STATEMENT OF COMPREHENSIVE INCOME	17
STATEMENT OF FINANCIAL POSITION	18
STATEMENT OF CHANGES IN RESERVES	19
CASH FLOW STATEMENT	20
NOTES TO THE FINANCIAL STATEMENTS	22

**THE GLOUCESTER CHARITIES TRUST
INFORMATION AND ADVISORS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Registered Office and Principal Place of Business

Montpellier House
Montpellier
Gloucester
GL1 1LF

Bankers

NatWest Bank plc
21 Eastgate Street
Gloucester
GL1 1NH

Solicitors

Tayntons LLP
Clarence Chambers
8-12 Clarence Street
Gloucester
GL1 1DZ

Lodders Solicitors LLP
Glensanda House
1 Montpellier Parade,
Cheltenham
GL50 1UA

Auditor

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Investment Managers

Investec Wealth & Investment Limited (trading as Investec Wealth & Investment (UK))
30 Gresham Street
London
EC2V 7QN

Brewin Dolphin Limited (trading as RBC Brewin Dolphin)
St James' Square
Cheltenham
GL50 3PR

Registered Charity Number

205177

Regulator of Social Housing Registration Number

AO215

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

TRUSTEES' REPORT

The Trustees present their annual report and the audited financial statements for the year ended 30 September 2023.

Aims and Objectives

The aims of the Charity are:

- Provision of quality sheltered accommodation at an affordable cost
- Extra care facilities for frail Almshouse residents
- Administer, effectively, the Relief in Need branch of the Charity.

The Trust beneficiaries are older people in need in the County of Gloucestershire. The beneficiary selection policy is in accordance with the provisions of The Scheme, which is the governing document of the Trust.

The Trust also separately administers the former Gloucester District Nursing Charity (which was united with the Trust in 2008).

The aims of Gloucester District Nursing Charity are:

- The relief of persons in need resident in the area of benefit who are convalescent, disabled, or infirm by relieving their suffering or assisting their recovery.
- The relief of nurses who are in need and are resident in the area of benefit; and
- The relief of any retired nurses who are in need and who were formerly employed by the Gloucester District Nursing Society

In exceptional cases the Trustees may grant relief to persons otherwise eligible who are resident outside the said area but in the opinion of the Trustees ought nevertheless for sufficient reason to be treated as if resident therein or who are located for the time being within that area.

Our Strategic Aims

- To grow and become a leading, strategic, and influential housing, care and support services provider for older people offering a range of services (day, independent living and residential) to meet market demand.
- To ensure high quality service delivery in our residential homes
- To expand our specialist dementia day care services in line with market demand to support those living independently as well as our own residents.
- To ensure GCT is fit for the future to deliver a financially and operationally sustainable organisation.
- To support our local communities through our Relief in Need grant giving
- To build our own internal strengths and capabilities to increase our impact ensuring our organisational structure can deliver our strategic plan.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Reference and Administrative Information

Principal Office: Montpellier House, Montpellier, Gloucester GL1 1LF.

Mr S Ayland	Mr G Howell
Mrs L Campbell (appointed 17.03.2023)	Mrs G Johnson (appointed 19.11.2023)
Mrs A Conder	Mr G Limbrick (resigned 21 July 2023)
Mr M Collins	Dr J Lugg
Dr I Donald (resigned 19 January 2023)	Ms D Melvin (resigned 17 March 2023)
Mr T L Haines	Mrs G Payne
Mrs C Harber (Vice Chair)	Mr R Stubbins (appointed 19.01.2024)
Mr S Heath (Chair)	Miss P Tracey
Mr L Hensley	Mr M White
Mr W Hewer (appointed 22.09.2023)	Mr C Youngson (ceased 6 April 2023)

The day to day running of the Trust affairs is managed by the Chief Executive, Mrs Kathryn Lewis.

Hazlewoods LLP provides audit services and related advice to the Trustees.

Tayntons Solicitors and Ladders Solicitors provide legal services and related advice to the Trustees.

NatWest Bank Plc provides financial services to the Trustees.

Rathbones (incorporating Investec Wealth & Investment) provide investment services to the Trustees.

RBC Brewin Dolphin provide investment services to the Trustees for the Gloucester District Nursing Charity funds.

Custodian Trustee – The Official Custodian

McCartneys LLP act as Land Agents for the Trust.

Structure, Governance and Management

The Charity is an unincorporated Charity (registration number 205177) with an unincorporated body of Trustees. The governing document of the Charity is The Scheme dated 4 April 1997 as amended by Scheme dated 16 December 1997 and Scheme dated 30 April 2001 registered with the Charity Commission. The Charity is a registered charity, an Almshouse charity, and a Registered Provider (RP). The Charity is registered with the Regulator of Social Housing, the Care Quality Commission (CQC) and is a member of the Almshouse Association.

The body of Trustees, when complete, consists of 18 Trustees of which nine are nominated Trustees and nine co-optative Trustees. The co-optative Trustees are individuals who through residence, occupation, or employment in or near the City of Gloucester have a specialist knowledge or interest in the work of the Charity. Of the nominated Trustees seven should be appointed by the Council of the City of Gloucester and two by the Committee of the Freeman of the City of Gloucester. The Trust has a Trustee Recruitment and Selection Policy and a separate Trustee Induction Policy which are reviewed every two years. Trustees are provided with an information pack upon joining the Trust which contains the most recent audited financial statements, the latest management account information, minutes of the two most recent General Meetings, a short history of the Trust, the Trust Schemes, and a copy of Charities Commission booklet CC3 – The Essential Trustee What you need to know, and a list of the year's forthcoming meetings. In addition, they are also issued with any policies with which they need to comply, the Code of Governance and the Terms of Reference of the various sub-committees.

Existing Trustees can co-opt trustees if they have the relevant skills, knowledge and background that enable them to meet an existing skills gap on the Board of Trustees.

During 2022/2023 The Board of Trustees met bi-monthly to carry out the business of the Charity. GCT's Board has several sub-committees, Governance and Risk Management (formerly Audit and Governance), Finance and Property (which has adopted the Audit responsibilities associated with the former Audit & Governance Committee) and Welfare (Staff and Residents) which comprise of Trustees with a specialist knowledge or skill in a particularly relevant area. These committees meet approximately 4-6 times per year and take forward recommendations to the

main meetings of the full Trustee Board. Employees of the Charity report to the main Board of Trustees at the bi-monthly meetings or through a monthly information pack and may refer recommendations for the consideration and approval of all Trustees.

The day to day running of the Trust is delegated to the Chief Executive supported by a Senior Management Team.

The Trust also operates an Advisory Committee which consists of the Chair, Vice Chair and one other Trustee to which the Chief Executive can refer should a decision need to be made urgently.

The Trustees are required under charity legislation and Homes England to prepare financial statements that give a true and fair view of the charity's performance during and at the end of the financial year.

Public Benefit

The Trust's main charitable aim is to provide good quality, affordable accommodation for older people from the County of Gloucestershire to meet the variety of needs which this client group presents. The Trust owns and manages 137 sheltered housing flats at four locations within Gloucester, Guild House Residential Home, and Magdalen House Residential Home (formerly Magdalen House Nursing Home) as well as the Kimbrose Club. The Trust therefore offers a range of services which support individuals living independently right through to those requiring full time care. The accommodation and care provided by the flats and Homes is open to the community of Gloucestershire subject to meeting the Trust's admission criteria. In addition, the Trust also offers a dedicated day care facility, The Kimbrose Club. The Club is open to older people (residents and non-residents) living with dementia, memory loss or depression and anxiety.

The Club is intended to accommodate those who live independently and have no personal care requirements. It is a lively, vibrant place where friendships are made, tasty food eaten and where there is the opportunity to discover new things to do.

The above meets the public benefit criteria and falls within the Charities Act 2006 charitable purpose defined as "relief of those in need by reasons of youth, age, ill-health, disability, financial hardship or other disadvantage". All the Trust's charitable activities focus on directly improving the lives of older people by providing a range of housing and care options. The Trust's Relief in Need activities also clearly meet the public benefit criteria and are available to non-residents, of any age, subject to the requirements of the governing document.

In the furtherance of these aims the Board, as the Charity Trustees, have complied with the duty in s.4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

The Trust awarded grants to the value of £14,500 to individuals in the year via the Relief in Need and Gloucester District Nursing Charity schemes. There have not been as many applications during the year as expected, which is surprising given the exceedingly difficult circumstances so many individuals have found themselves in. We are working with other grant giving Charities in 2024 to try to reach more individuals and deserving causes. We continue to follow the swifter grant approval process which was approved by the Board and set up in 2020 to ensure we can provide immediate support wherever possible. All grants awarded are ratified by the full Board at our bi-monthly meetings.

Review of achievements and performance for the year

It is fair to say that this year has been another particularly challenging one, and we are grateful and appreciative to our core of dedicated staff who have worked hard throughout to ensure our residents and members have been well looked after and supported.

During the year, following a lengthy period of review, the Board made the difficult decision to deregister its Treatment of Disease, Disorder & Injury (TDDI) activity with CQC for Magdalen House, which meant the home was no longer able to operate as a nursing home. The reasons for this were largely financial but also due to the huge difficulty in recruiting and retaining nurses of the calibre GCT expects from these professionals. The use of Agency nurses was not feasible in the long term, so we worked with Adult Social Care Brokerage and the Commissioning Team to make the necessary transition. This was an extremely upsetting time for all concerned, however the staff supported residents admirably throughout the process, always ensuring the needs of the residents were their priority.

Magdalen is now operating as a Residential home, and we are in the process of upskilling and training our staff Team to ensure they are confident and competent in the way in which the new service provision must run. We have restructured our staffing to meet the needs of the service. This means we have appointed a Head of Care, Shift Leaders, and Senior Care & Support Assistants, all from within our existing Team. This is indicative of our strategy

to develop our in-house talent to reach their full potential. Our Head of Operations has attained Registered Manager status which means she has been instrumental in leading the staff team throughout the transition period and continues to do so. We plan to recruit a suitably qualified and experienced Registered Manager to take over from her during 2024.

As a result of the TDDI deregistration decision, a detailed proposal was submitted by our Property Managers to completely reconfigure, repurpose, and improve our ground floor space. This was completed prior to Christmas in 2023, mostly in-house, and is now a space to be extremely proud of. Our residents are enjoying the new, improved facilities and we are looking forward to hosting an Open Day in February 2024 to highlight our wonderful home.

We have not had as many recruitment difficulties in the year as we had previously, which has meant we have a more stable, consistent workforce which is of obvious benefit to our residents and GCT. We remain a Living Wage accredited employer which has resulted in a significant increase in our staffing costs which we acknowledge is thoroughly deserved by our staff.

Following a review of our non-core assets, the sale of Mill farm was progressed, and the farm was sold yielding nearly £3m, of which the Trustees have agreed some substantial spends on asset and resource improvements in addition to service development.

As always, we have strived to provide the best possible care and support to all our residents and members. The year has been a particularly difficult one financially for the Trust due to experiencing higher than expected levels of voids in our homes and flats. The significant increases in energy prices and in our salaries contributed significantly to much higher direct costs and overheads than in previous years.

During the year, the Trust completed the works on Montpellier House for use as its Head Office. Montpellier House, which had been unoccupied for several years, required a completed refurbishment so that it would work efficiently and effectively for us. We moved into our superbly appointed offices on 17th January 2023. It should be noted that a large part of the refurbishment was carried out by our very talented in-house team which restricted our ability to carry out some planned works in other areas, although there were some major improvements and refurbishments completed during the year too.

During the year it became clear that we were not going to be able to continue with Magdalen House as a nursing home. The costs of providing nursing care were not commensurate with the funding offered by Adult Social Care and, as an organisation, we were not willing to compromise the health and wellbeing of our residents. The decision to deregister as a nursing home was one which was taken after numerous other strategies to continue were tried.

Our coffee shop, No76 has had a very impressive first year resulting in us needing to become VAT registered. We have hugely positive feedback from those who visit the coffee shop, and we have a steady stream of regular customers, many of whom live locally in supported housing or work in the NHS. We currently open Monday to Friday from 7.30am to 4.00pm and are always open to the idea of increasing hours and days. We try to work with local suppliers and make every effort to improve sustainability and our green credentials.

Our Day Service, Kimbrose Club, had a particularly good year where we have maintained a high level of membership and provided an excellent, much needed and appreciated service. This must be attributed to the excellent staff team who work there. We always receive excellent feedback regarding the service, and it is a key part of what we, at GCT, offer.

Recruitment and retention have been more successful in Guild House and Magdalen House during the year, and we have maintained a core staff team who provide that consistency and continuity which is key to the efficient and effective running of all our services. Regrettably, we had to rely upon the significant use of Agency Nurses to maintain our regulatory compliance as we were unable to recruit and retain Nurses of the calibre we expect to care for our residents. As always, the staff team have done a wonderful job in caring for and meeting the needs of our residents and members and we are extremely appreciative of the dedication and commitment they continue to give under the most difficult of circumstances. We honoured our commitment to our staff as an accredited Living Wage employer which resulted in a significant pay increase for many of them. A further increase is to be awarded from April 2024 in line with that of the Living Wage. Our minimum wage will be £12 per hour, which we hope will enable us to attract more people into the health and social care sector.

We have completed extensive improvement and refurbishment works at Magdalen House and now have a superb ground floor lounge, events, and activity space of which we are extremely proud. All our ground floor bedrooms have been equipped with new, bespoke furniture, have decorative panelling installed and painted in a range of calming, contemporary shades. We are in the process of completing the bedroom refurbishment on our upper floor and have exciting plans to improve and enhance the dining experience of our residents. We are holding an Open Day on February 14th to highlight the rebirth of Magdalen House as a residential care home.

Guild House has had its roof renewed during the year and a new, improved care call system installed for the benefit of our residents. Our rooms have also been refurbished, as and when they become vacant, to the same specification as those in Magdalen House. We also have plans to repurpose the ground floor space and add an extension to the rear of the home, subject to planning permission.

We had hoped to complete a refurbishment of our Kimbrose Club during the year, but this was not achieved. We are, therefore, planning to do so in 2024. The proposed improvements will be beneficial to both members and staff alike.

A refurbished lift project has taken place at our St Margarets Almshouse site; this has been a welcomed improvement for our residents in our upper floor flats. We have, wherever, possible, carried out flat refurbishments as and when they become vacant. We have had a steady stream of new applicants since our year-end, and it is hoped that we will maintain higher levels of occupancy during the next year. A long overdue review of our WMCs was actioned in August 2023. This has resulted in a substantial uplift in our weekly charges which are to be implemented from January 2024. The majority of the uplift will be the responsibility of Gloucester City Council through Housing Benefit entitlement.

During the year we purchased a property next to St Margarets for the purpose of creating a much-needed communal space for the residents and for those who use our Chapel. The ground floor of the property will be refurbished and provide lounge / dining and activity space for residents as well as a kitchen and toilet facilities. Upstairs will be a separate one-bedroom flat which will be completely reconfigured and refurbished so it can be let on a commercial basis.

A Quinquennial inspection of our historic Almshouses was conducted in the year, and we are working with our Architects to prioritise their recommendations arising from the plan. This will be a long-term project and is likely to incur a considerable amount of money.

We have progressed our programme of brand awareness of the Trust promoting GCT, and our Property Care Manager drafted a Marketing Plan for all GCT services which has been partially implemented during the year. We are now at the stage of ordering our new signage and our new website is close to completion.

We have continued to develop and improve upon the range of qualitative and quantitative information provided to our Trustees to assist them in the governance decisions and to provide them with assurances that the Trust is being well managed. The Trustees are provided with a range of key performance indicators and assurance information through the monthly information pack which is sent to them in addition to the regular reporting at each of the sub-committees and the main Board meetings. Our in-house quality and audit monitoring has been assisted by the implementation of a digital audit system and a range of other reporting mechanisms. As far as is practicable, GCT has digitised its systems and processes where they improve efficiency and quality of service.

In financial terms the Trust has not had a successful year in terms of the operational activities. As previously referred to, this is due to three factors: high voids, high staff costs and high energy costs. The performance of our investments has been better than in the previous year and we have received a satisfactory level of income from them. The Trust did not review its investment management services in 2023 due to other priorities taking precedent. We have completed our Value for Money (VFM) metrics for inclusion in the accounts as we are now required to do and there are no concerns noted.

As planned, the decision to sell Mill Farm, one of our non-core assets to release funds for operational projects and service development, came to fruition. We were able to sell the farm in lots which yielded a significant sum of money. A sizeable proportion of the sales proceeds have been set aside for the refurbishment and upgrade of both Guild House and Magdalen House which is in progress. We also have an extensive summary of project and property development plans pertaining to all our service which will be prioritised throughout the year.

The sale of Hewmar House, another of our non-core assets fell through during the year, however we have since sold the property again and the sale is progressing.

Our former Head Office, Century House, is being leased to a local organisation with them having an option to purchase. It is hoped that this will come to fruition.

We secured the renewal of planning permission on the plot at the rear of our Brunswick Road flats. It has not been decided how to proceed with this. It will be another item for discussion at our Strategy Day in June.

The Trust conducted several key reviews throughout the year including the six-monthly review of its Risk Summary and the corresponding action plans to mitigate risks in certain areas. It has been decided that a different approach will be adopted to the way in which risks are monitored. This will be implemented in 2024.

The Strategic Plan is to be refreshed in February 2024 due to the significant changes which have taken place at Magdalen House. The focus is on ensuring GCT is an organisation which is fit for the future, operationally and financially. This will involve investing in our care and support services, investing in our staff and volunteers, and increasing awareness of our grant giving, supporting as many individuals and worthy causes as we can. The CEO, Head of Operations and the Compliance Manager have also worked closely with the operational Managers to create detailed individual business plans for the next 12 months which align with the overarching GCT strategic plan.

In terms of its non-core assets, the Trust is selling the last remaining property we own in Worcestershire. We have received an offer for the cottage and the sale is proceeding.

The Trust still holds income producing non-core assets which will be reviewed at the Strategy Day to be held in June 2024.

Future Plans

We are intending to do the following this year in addition to other items which were not progressed in 2022/2023:

- We plan to further develop, implement, and embed our well-being initiatives for staff to support our work on further developing a positive workplace culture.
- We will review our staffing structure, roles, responsibilities, and staff numbers and update our staffing plans accordingly.
- We will review our Code of Governance and complete a self-assessment of all the evidence required to provide assurance of good governance.
- We will review our Terms of Reference for our sub-committees to ensure they align with good governance.
- All our Policies will be reviewed and updated.
- We have arranged for an external inspection of our residential homes to ascertain our CQC compliance and assist us with any changes needing to be made following CQC's single assessment framework implementation. The inspector will also conduct a gaps analysis at Magdalen House to ensure there has not been anything missed in our transition from a nursing to residential service.
- We will consider our mandatory training, determine what this is to be for 2024, and implement a detailed training plan for each staff member which consists of a three day to ensure they are up to date with their training and knowledge and skills are enhanced.
- We will progress the actions needed to achieve our strategic aims and objectives.
- Progress against service business and strategic plans will be monitored and reported.
- We will continue with our phased refurbishment and project development plans for Guild House, Magdalen House, and our sheltered accommodation.
- We will draw up a plan to create fit for purpose IT, data, and digital capability.
- We will conduct a further review of non-core assets to ensure they are fully utilised to benefit GCT's core activities.
- We will prioritise and group the recommendations arising out of the Quinquennial inspection of our Almshouses, to ensure repairs are planned and completed efficiently and resourced effectively used.
- We will review our Marketing Plan and implement further aspects of it with a view to increasing awareness of GCT and supporting with the maintaining and developing of income streams.
- We will conduct a Quinquennial inspection of our St Margarets chapel and review its recommendations.
- We will review our grant giving scheme with a view to ensuring it is more accessible to those who meet the criteria and will derive benefit from it.
- GCT is currently reviewing its governance structure; this will be closely scrutinised on the Strategy Day in 2024

Risks

The Trustees have considered the financial and operational risks to which the Trust is potentially exposed and have introduced policies and management structures to mitigate them. The biggest risk to us is maintaining high levels of occupancy especially as Magdalen House is effectively a new service which needs to be built up. We must also ensure we have a stable management team leading in our service areas. We have not been successful in recruiting Registered Managers who share the same ethos and commitment to our residents and staff as we expect. If we do not have effective leadership, we will not achieve our goals.

Our financial controls are designed to minimise the risk of fraud or other losses and are regularly reviewed and updated. We appointed a new Finance Manager during the year, and she is making improvements in the way in which the Finance Department operates, and the information produced for management and Trustee purposes. The Trust has appropriate insurance coverage for the activities in which it is involved. The Trust's reserves policy allows the Trust to continue operating for several years with a trading deficit if the Trustees decide this is warranted.

This is particularly the case in the creation of new services, which Magdalen House effectively is now, which may take several years to break even. Risk management is embedded in all areas of the Trust's operations as a key activity that is to be continually reviewed and assessed.

The Trust has a detailed Key Risk Register which is regularly updated by the CEO and management team in conjunction with the relevant sub-committee and reviewed by the Governance and Risk Management Committee (formerly known as Audit and Governance) on a six-monthly basis as well as by each individual committee where they review the risks specifically associated with the remit of that committee. The Key Risk Register is to be split into a Strategic Risk Register and an Operational Risk Register in 2024.

Investment policy and objectives

The investment policy provides for a broad-based portfolio of both financial and property investments to provide income for the Relief-in-Need branches, and security of endowed capital. This is particularly relevant when Trustees are looking at the potential cost of the major development projects which they have commissioned. The importance of keeping the reserves at a level which is sufficient to fund the future upkeep and development of Trust properties continues to be a major consideration for Trustees. The Trust also aims to maximise the income on temporarily invested restricted funds.

The Charity Commission Scheme dated 4 April 1997 empowers the Trustees to make such arrangements as they think fit for any investments of the Charity to be held by a corporate body which is incorporated in England and Wales as the Trustees' nominee.

Clear investment direction is provided to the Investment Managers at the annual review meeting; however, the Trustees have not felt it necessary or appropriate to give specific instructions regarding the extent that social, environmental, or ethical considerations are taken into account, in relation to the retention and realisation of investments.

The Trust reviewed its Investment Management options during 2017 and decided not to make any changes at that time. The Investment Management options are to be reviewed in 2024. The board has set up an Investment Committee consisting of four appointed Trustees who, along with the CEO, have authority to act on behalf of the Trust.

Reserves policy

Under the Housing SORP 2014 designated funds are no longer permitted and must revert to normal unrestricted reserves. The unrestricted reserves of the Trust therefore include those previously designated as either Cyclical Maintenance Fund (CMF) or Extraordinary Repair Fund (ERF) reserves.

The Trustees are satisfied that the reserves held are commensurate with the scale of operations. Most the Trust's fixed assets are held either in our housing or investment properties therefore the level of reserves is commensurate with the contingency required to ensure the ongoing business of the Trust. Details of the levels of reserves at the year end, and the policies attached to each reserve, can be found in notes 14 to 16 of these financial statements.

Key Value for Money Metrics

In April 2018 the Regulator of Social Housing has introduced a requirement of small registered social housing landlords to include their Value for Money (VFM) metrics in their annual financial statements.

Below are the seven metrics for the Trust. Figures are in Pounds Sterling.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Metric 1 – Reinvestment %

This metric looks at the investment in properties as a percentage of the value of the total properties held (THP – Total Housing Properties). The reinvestment activities include development and/or acquisition of new properties and major maintenance works carried out in our existing properties (i.e. central heating upgrades, new kitchens and bathrooms installations etc).

	2022/23	2021/22
Development of New Properties (THP)	-	-
Newly build properties acquired (THP)	-	-
Works to Existing (THP)	139,578	85,237
Divided by:		
Housing Properties at net book value	2,788,165	2,635,642
Outcome	5%	3%

Metric 2 – New Supply Delivered %

The New Supply metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at 30 September 2023.

	2022/23	2021/22
a. Social Housing Units		
Total Social Housing Units Developed or Newly Built Units Acquired In-Year	-	-
Divided by Total Social Housing Units (inc. Shared Ownership)	137	137
Outcome	0%	0%
b. Non-Social Housing Units		
Total Non-Social Units Developed or Newly Built Units Acquired In-Year (Owned). (Total non-social rental housing units owned, non-social leasehold units owned, new outright sale units developed or acquired).	-	-
Divided by Total and Non-Social Housing Units Owned (Period End). (Total social housing units owned, total non-social rental housing units owned, social leasehold units owned, non-social leasehold units owned (Period end))	-	-
Outcome	0%	0%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Metric 3 – Gearing %

This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance.

	2022/23	2021/22
Total of:		
Short-Term Loans	5,028	4,499
Long-Term Loans	369,579	374,648
Less Cash and Cash Equivalents	(2,583,316)	(1,331,810)
Divided by:		
Housing Properties at net book value	2,691,381	2,635,642
Outcome	-82%	-36%

**Metric 4 – Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI)
Interest Cover %**

The EBITDA MRI interest cover measure is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates compared to interest payable.

	2022/23	2021/22
Operating Surplus	50,256	94,243
Less Gain / (loss) on disposal of fixed assets (housing properties)	-	-
Less Amortised Government grant	-	-
Plus Interest receivable	-	-
Less Capitalised major repairs expenditure for period	(139,578)	(85,235)
Plus Total depreciation charge for period	181,271	176,170
Divided by:		
Interest Capitalised	-	-
Plus Interest payable and financing costs	41,939	42,735
Outcome	219%	433%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Metric 5 – Headline Social Housing Cost Per Unit

	2022/23	2021/22
Total of:		
Management Costs	99,432	150,201
Service Charge Costs	825,699	622,710
Routine Maintenance Costs	32,968	55,642
Planned Maintenance Costs	93,443	109,365
Bad Debts	1,604	670
Depreciation of housing properties	181,271	176,170
Other Social Housing Costs	-	-
Divided by:		
Total Social Housing Units Owned and Managed at the Period End	137	137
Outcome	9,010	8,137

Metric 6 – Operating Margin %

The Operating margin demonstrates the profitability of operating assets before exceptional expenses are considered.

The Association's operating margin shows that the organization uses its resources efficiently. The social housing lettings excludes the social housing grant amortisation.

	2022/23	2021/22
a. Social Housing Lettings	4%	8%
b. Overall	-12%	-3%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Metric 7 – Return on Capital Employed (ROCE) %

This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources. The ROCE metric would support registered providers with a wide range of capital investment programmes.

	2022/23	2021/22
Operating Surplus / (Deficit) inc. Gain / (Loss) on Disposal of Fixed Assets (Housing Properties)	50,256	94,243
Divided by:		
Total Assets less Current Liabilities	24,568,434	23,269,548
Outcome	0%	0%

Commentary

We are conscious of our obligations to provide value for money in the services we provide, as evidenced in the metrics included in these financial statements. The metrics above are applicable to the Almshouse activities of the charity, and therefore the information provided relates solely to the Almshouses where relevant.

The Almshouses are just one part, albeit a very important one, of the overall care activities of the charity. Unlike most providers of social housing, the charity derives most of its income from other activities. As a result, it is difficult to benchmark the metrics as the activities of the charity are relatively unique. The trustees do, however, consider the metrics to be within their expectations and show a very positive outlook for the Almshouse activities and the charity as a whole.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Registered Social Housing Legislation and the Charities Act 2022 require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Charity's affairs and of its income and expenditure for the period. In preparing those financial statements, the Trustees are required to: -

- 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 financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Scheme of the Charity Commissioners dated 4 April 1997 by which the Charity was constituted, Section 1 to the Housing Act 2006, Charities Act 2022, the Statement of Recommended Practice – Accounting by Registered Social Landlords and the Accounting Requirements for Registered Social Landlords General Determination 2022. They are also responsible for taking reasonable steps to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Auditors

Hazlewoods acted as auditors during the year.

25/3/2024

Approved and authorised for issue by the Trustees on



Mr Martin Collins – Chairman of the Finance Committee



Mr Stephen Heath – Chairman of Trustees

THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Opinion

We have audited the financial statements of The Gloucester Charities Trust for the year ended 30 September 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. 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).

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2023 and of its incoming resources and application of resources, including its income and expenditure, 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 2022, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. 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.

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

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

Opinion on other matters prescribed by the Charities Act 2022

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

- the information given in the Report of the Trustees for the financial period for which the financial statements are prepared is consistent with the financial statements.
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Charities Act 2022 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all of the information and explanations we require for our audit.

Respective responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISA's (UK).

In identifying and assessing risks of material mis-statement in respect of fraud, including irregularities and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company financial statements or that had a fundamental effect on the company's operations. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and taxation laws.
- We understood how the company is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assesses the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process. Detailed analysis of journals posted through the accounting system during the year to 30 September 2023 has been undertaken;
 - Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud, and they appeared to be working effectively;
 - Challenging assumptions and judgements made by management in its significant accounting estimates.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 154 of the Charities Act 2022. Our 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.

Martin Howard

Martin Howard (Senior Statutory Auditor)

Date: 25/3/2024

For and on behalf of Hazlewoods LLP
Statutory Auditors

Windsor House
 Bayshill Road
 Cheltenham
 Gloucestershire
 GL50 3AT

**THE GLOUCESTER CHARITIES TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Note	2023 £	2022 £
TURNOVER	2	4,976,694	4,654,453
COVID income	2	5,291	108,819
Operating costs	2	<u>(5,583,748)</u>	<u>(4,906,138)</u>
OPERATING (DEFICIT)	2	(601,763)	(142,866)
Surplus on disposal of tangible fixed assets		61,186	172,252
Surplus on disposal of fixed asset investments		<u>189,205</u>	<u>(90,414)</u>
(DEFICIT) ON ORDINARY ACTIVITIES BEFORE INVESTMENT INCOME AND INTEREST		(351,372)	(61,028)
Interest receivable and other income	6	149,764	154,259
Interest payable and similar charges	7	<u>(47,962)</u>	<u>(47,818)</u>
(DEFICIT) ON ORDINARY ACTIVITIES BEFORE CHANGES IN MARKET VALUE OF INVESTMENTS		(249,570)	45,413
Movement in fair value of investments		<u>(23,748)</u>	<u>(556,998)</u>
(DEFICIT) FOR THE YEAR		(273,318)	(511,585)
Unrealised surplus on revaluation of investment property		1,600,892	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,327,574</u>	<u>(511,585)</u>

25/3/2024

These financial statements were approved and authorised for issue by the Trustees on



Mr Martin Collins
**Chairman of Finance Committee
The Gloucester Charities Trust**



Mr Stephen Heath
**Chairman of Trustees
The Gloucester Charities Trust**

The Trust's results relate wholly to continuing activities.

The notes on pages 22 to 35 form part of these financial statements.

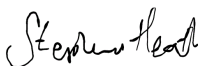
THE GLOUCESTER CHARITIES TRUST
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Note	2023	2022
FIXED ASSETS			
Housing properties		2,691,382	2,635,642
Extra care facilities and head office		4,829,084	4,181,044
Investment properties		8,949,394	10,058,394
Other assets		<u>289,976</u>	<u>319,755</u>
Tangible fixed assets	8	16,759,836	17,194,836
Investments	9	<u>5,549,299</u>	<u>5,227,699</u>
		22,309,135	22,422,535
CURRENT ASSETS			
Stock		1,635	1,635
Debtors	10	138,484	192,414
Cash at bank and in hand		<u>2,583,316</u>	<u>1,331,810</u>
		2,723,435	1,525,859
CREDITORS: amounts falling due within one year	11	<u>(464,136)</u>	<u>(678,847)</u>
NET CURRENT ASSETS		<u>2,259,299</u>	<u>847,013</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>24,568,434</u></u>	<u><u>23,269,548</u></u>
CREDITORS: amounts falling due after more than one year			
	12	<u>1,828,287</u>	<u>1,856,975</u>
FINANCING AND RESERVES			
Restricted reserves	14	1,198,883	1,166,756
Unrestricted funds	16	19,408,275	18,175,923
Endowment funds	15	<u>2,132,989</u>	<u>2,069,894</u>
		<u>22,740,147</u>	<u>21,412,573</u>
		<u><u>24,568,434</u></u>	<u><u>23,269,548</u></u>

25/3/2024

These financial statements were approved and authorised for issue by the Trustees on


Mr Martin Collins
Chairman of Finance Committee
The Gloucester Charities Trust


Mr Stephen Heath
Chairman of Trustees
The Gloucester Charities Trust

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 30 SEPTEMBER 2023

2023

	Restricted Reserves £	Unrestricted Funds £	Endowment Funds £	Total £
Balance at 1 October 2022	1,166,756	18,175,923	2,069,894	21,412,573
Total comprehensive income	32,127	1,232,352	63,095	1,327,574
Balance at 30 September 2023	1,198,883	19,408,275	2,132,989	22,740,147

2022

	Restricted Reserves £	Unrestricted Funds £	Endowment Funds £	Total £
Balance at 1 October 2021	1,188,944	18,546,090	2,189,123	21,924,157
Total comprehensive income	(22,188)	(370,168)	(119,229)	(511,585)
Balance at 30 September 2022	1,166,756	18,175,922	2,069,894	21,412,572

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2023

	2023	2022 £
Net cash (absorbed by) generated from operating activities (note i)	(393,157)	379,540
Cash flow from investing activities		
Purchase of investment securities	(1,546,160)	(1,018,507)
Sale and maturity of investment securities	1,390,017	1,215,252
Purchase of tangible fixed assets	(1,240,156)	(1,448,640)
Sales proceeds from disposal of tangible fixed assets	2,943,700	522,252
Interest received	8,649	-
	<u>1,556,050</u>	<u>(729,643)</u>
Cash flow from financing activities		
Dividends received	141,115	154,259
Interest paid	(47,962)	(47,818)
Repayment of borrowings	(4,540)	(4,037)
	<u>88,613</u>	<u>102,404</u>
Net change in cash and cash equivalents (note ii)	1,251,506	(247,699)
Cash and cash equivalents at beginning of year	<u>1,331,810</u>	<u>1,579,509</u>
Cash and cash equivalents at end of year	<u>2,583,316</u>	<u>1,331,810</u>

	2023 £	2022 £
i) ANALYSIS OF CASH FLOWS		
Cash flow from operating activities		
(Deficit) for the year before revaluation of investments	(249,570)	45,413
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	393,534	355,557
Increase in debtors	53,930	(39,283)
Increase in creditors	(215,239)	231,386
Increase in stock	-	(1,635)
Surplus on sale of tangible fixed assets	(61,186)	(172,252)
(Surplus)/deficit on sale of fixed asset investments	(189,205)	90,414
Adjustments for investing or financing activities:		
Government grants utilised in the year	(23,619)	(23,619)
Interest payable	47,962	47,818
Interest Receivable	(8,649)	-
Dividends received	(141,115)	(154,259)
Net cash (absorbed by)/generated from operating activities	<u>(393,157)</u>	<u>379,540</u>

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2023

ii) ANALYSIS OF NET DEBT

	At 1 October 2022 £	Cash flow £	Non-cash movement £	Total 2023 £
Cash at bank and in hand	1,331,810	1,251,506	-	2,583,316
Debt due within one year	(4,499)	4,540	(5,069)	(5,028)
Debt due in more than one year	(374,648)	-	5,069	369,579
Net debt	952,663	1,256,046	-	2,947,867

**THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

1 ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom including Financial Reporting Standard (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis of accounting

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, rounded to the nearest pound, being the functional currency of the primary economic environment in which the Trust operates.

Turnover

Turnover represents weekly maintenance contributions, nursing home fees, residential home fees and commercial rent-receivable.

Going concern

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation, with the exception of investment properties which are shown at open market value. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following rates per annum:

Freehold housing properties	See below
Refurbishments	5%-12.5%
Office fixtures and fittings	20%
Motor vehicles	25%
Nursing Home and Day Centre fixed equipment	10%-20%

**THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

1 ACCOUNTING POLICIES (continued)

Housing properties

The Trust accounts for its expenditure on housing properties using component accounting. Under component accounting, in addition to the structure, the housing property is divided into those major components which are considered to have substantially different useful economic lives as follows:

Main Fabric	100 years
Roof	50 years
Windows and doors	20 years
Bathrooms	10 years
Electrics	20 years
Lifts	20 years
Heating	15 years
Kitchens	10 years

As required by FRS 102, the Trust has reviewed the useful economic lives of its housing properties and depreciates the property accordingly.

The Trust capitalises work to existing properties which results in an increase in the net rental income, including a reduction in maintenance costs, or results in significant extension to the useful economic life of the property.

Where property components with a separate identifiable life are replaced, the new components are capitalised with new life and the old components, if any, are written off.

Housing properties in the course of construction are stated at cost and are not depreciated.

Social Housing Grant and Other Capital Grants

Where developments have been financed wholly or partly by Social Housing Grant "SHG" (formerly "HAG"), the grants are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

SHG and HAG is repayable under certain circumstances, primarily following sale of a property but will normally be restricted to proceeds of sale, if this is lower than the initial grant received.

Government Grant

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants relating to revenue are recognised in income over the period in which the related costs are recognised.

Capitalisation of interest

Interest on mortgage loans financing new developments is capitalised up to the date of practical completion of the scheme.

Leased assets

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Investments

Investments are stated at market value and are in accordance with the valuation reports received from the Investment Managers.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 ACCOUNTING POLICIES (continued)

Trade debtors

Trade debtors are amounts due from customers for the rental of Housing properties.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Trade Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Taxation

The Trust is of charitable status and therefore exempt from taxation. Irrecoverable VAT on expenditure is included as part of the cost of the item of expenditure to which the VAT relates.

Pension costs

The Charity operates a defined contribution pension scheme. Contributions are charged to the income and expenditure accounts as they became payable in accordance with the rules of the scheme.

Legacy income

Legacy income is recognised in the income and expenditure account on a receivable basis.

Restricted reserves

These are detailed in note 14 to the financial statements.

Endowment Funds

These are detailed in note 15 to the financial statements.

Financial instruments

The trust only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other receivables and payables, and investments in non-puttable ordinary shares.

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets or financial liabilities.

Debt instruments like loans and other receivables and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Investments in non-puttable ordinary shares are measured at cost less impairment for all other investments.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying value and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the trust would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount recognised in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

At each reporting date non-financial assets not carried at fair value, such as property, plant and equipment are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less costs to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in the reported surplus or deficit.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

2 PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

2023	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£	£	£
Social housing lettings (see note 3)	1,284,673	(1,234,417)	50,256
Grant income	23,619	-	23,619
Activities other than social housing			
Investment property lettings	267,970	-	267,970
Charitable giving	-	(63,644)	(63,644)
Administration costs	-	(263,849)	(263,849)
Kimbrose Club	223,299	(241,748)	(18,449)
Extra-care facility	3,089,965	(3,653,937)	(563,972)
Other income	92,459	(126,153)	(33,694)
Total	4,981,985	(5,583,748)	(601,763)
2022	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£	£	£
Social housing lettings (see note 3)	1,209,001	(1,114,758)	94,243
Grant income	23,619	-	23,619
Activities other than social housing			
Investment property lettings	236,531	-	236,531
Legacy income	93,363	-	93,363
Charitable giving	-	(59,089)	(59,089)
Administration costs	-	(215,025)	(215,025)
Kimbrose Club	181,876	(204,861)	(22,985)
Extra-care facility	2,862,341	(3,235,208)	(372,867)
Other income	156,541	(77,197)	79,344
Total	4,763,272	(4,906,138)	(142,866)

All income is generated within the United Kingdom.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

3 PARTICULARS OF TURNOVER AND OPERATING EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	Supported housing (including housing for older people)	
	2023	2022
	£	£
Income		
Rent receivable net of identifiable service charges	641,418	654,047
Service charge income	622,175	529,116
Government grants taken to income	-	-
Other grants	21,080	25,838
Turnover from social housing lettings	1,284,673	1,209,001
Operating expenditure		
Management	99,432	150,201
Service charge costs	825,699	622,710
Routine maintenance	32,968	55,642
Planned maintenance	93,443	109,365
Bad debts	1,604	670
Depreciation of housing properties	181,271	176,170
Other costs	-	-
Operating expenditure on social housing lettings	1,234,417	1,114,758
Operating surplus on social housing Lettings	50,256	94,243
Void losses	55,485	58,953

During the year ended 30 September 2023, the Charity owned 137 units of social housing accommodation under its own management (2022 - 137).

The average weekly maintenance contribution on social housing accommodation was £93.95 (2022 - £93.95).

There were no general needs housing or other categories for the social housing lettings.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

4 EMPLOYEES

	2023	2022
Average number of employees expressed in full time equivalents	<u>131</u>	<u>123</u>
Employees costs during the year		
Wages and salaries	3,004,310	2,729,429
Social security costs	222,296	204,548
Other pension costs	<u>71,886</u>	<u>62,902</u>
	<u>3,298,492</u>	<u>2,996,879</u>
Emoluments to Chief Executive Officer	<u>106,255</u>	<u>96,446</u>

The CEO is an ordinary member of the Trust Group Personal Pension Scheme and there are no special terms applied. The contribution made by the Trust is 8% of gross salary; CEO pays 3% individual contribution, which is the same as all other members of the Pension Scheme. The CEO has no other personal pension agreement to which the Trust makes a contribution.

The above represents the emoluments of the highest paid officer. The Trustees, who constitute the managing body of the trust, received no remuneration therefrom. One employee of the trust was paid between £100,000 and £110,000 and nil paid between £90,000 and £100,000 (2022 – nil paid between £100,000 and £110,000, one paid between £90,000 and £100,000).

The Trust has no officers other than the Trustees and the Chief Executive.

5 AUDITOR'S REMUNERATION

	2023 £	2022 £
Remuneration payable to the auditor including Value Added Tax was as follows:		
For audit services	<u>11,100</u>	<u>10,740</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

6 INTEREST RECEIVABLE AND OTHER INCOME

	2023	2022
	£	£
Investment income		
Dividend income	141,115	154,259
Interest receivable	8,649	-
	<u>149,764</u>	<u>154,259</u>

7 INTEREST PAYABLE

	2023	2022
	£	£
Interest payable and similar charges		
Housing corporation loans (see note 13)	41,849	42,316
Bank charges payable	6,113	5,502
	<u>47,962</u>	<u>47,818</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

8 TANGIBLE FIXED ASSETS

	Housing properties £	Extra-care facility and head office £	Investment properties £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 October 2022	4,489,782	6,155,868	10,058,394	2,641,454	92,607	23,438,105
Additions	139,578	753,476	172,622	174,480	-	1,240,156
Revaluation	-	-	1,600,892	-	-	1,600,892
Disposals	-	-	(2,882,514)	-	-	(2,882,514)
At 30 September 2023	<u>4,629,360</u>	<u>6,909,344</u>	<u>8,949,394</u>	<u>2,815,934</u>	<u>92,607</u>	<u>23,369,639</u>
Depreciation						
At 1 October 2022	1,854,140	1,974,824	-	2,344,112	70,193	6,243,269
Charge for the year	83,838	105,436	-	196,576	7,684	393,534
At 30 September 2023	<u>1,937,978</u>	<u>2,080,260</u>	<u>-</u>	<u>2,540,688</u>	<u>77,877</u>	<u>6,636,803</u>
NET BOOK VALUE						
At 30 September 2023	<u>2,691,382</u>	<u>4,829,084</u>	<u>8,949,394</u>	<u>275,246</u>	<u>14,730</u>	<u>16,940,836</u>
At 30 September 2022	<u>2,635,642</u>	<u>4,181,044</u>	<u>10,058,394</u>	<u>297,342</u>	<u>22,414</u>	<u>17,194,836</u>

The extra-care facility is a freehold nursing home, a day care centre and a residential home. All other properties above are also freehold. The investment properties are commercially let. Investment properties were revalued during the year by the Trustees following consultations with McCartneys LLP, Chartered Surveyors and Bruton Knowles. The historical cost of the investment properties at 30 September 2023 is £5,331,295 (2022 - £5,114,367).

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

9 INVESTMENTS

	Total £
At 1 October 2022	5,227,699
Additions	1,546,160
Disposals	(1,200,813)
Change in market value	<u>(23,747)</u>
At 30 September 2023	<u>5,549,299</u>
Cost:	
30 September 2023	<u>4,649,257</u>
<i>30 September 2022</i>	<i><u>4,189,260</u></i>

All investments are quoted.

No individual investment makes up more than 5% of the total investment portfolio.

10 DEBTORS

	2023 £	2022 £
Trade debtors	42,680	101,059
Other debtors and prepayments	95,804	91,355
	<u>138,484</u>	<u>192,414</u>

11 CREDITORS – due within one year

	2023 £	2022 £
Trade creditors	170,939	371,653
Other creditors and accruals	262,231	279,076
Deferred income – Social Housing grants	23,619	23,619
Housing loans (note 13)	5,028	4,499
VAT liability	2,319	-
	<u>464,136</u>	<u>678,847</u>

12 CREDITORS – due after more than one year

	2023 £	2022 £
Deferred income – Social Housing grants	1,458,708	1,482,327
Housing loans (note 13)	369,579	374,648
	<u>1,828,287</u>	<u>1,856,975</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

13 HOUSING LOANS

Borrowings included in creditors due within and after more than one year are as follows:

	2023	2022
	£	£
Loan secured by mortgage on St Margarets Property repayable by equal annual instalments over 60 years at an interest rate of 14.75%, repayments commenced in 1978	38,427	39,101
Loan secured by mortgage on St Philips Court Property repayable by equal annual instalments over 60 years at an interest rate of 11.37%, repayment commenced in 1983	76,764	77,828
Loan secured by mortgage on St Marks Property repayable by equal annual instalments over 60 years at an interest rate of 10.25%, repayments commenced 1984	71,400	72,367
Loan secured by mortgage on St Bartholomews Property repayable by equal annual instalments over 60 years at an interest rate of 10.5%, repayments commenced 1987	188,016	189,851
Total secured borrowings	<u>374,607</u>	<u>379,147</u>
Loans are repayable as follows:		
Due within one year	Note 11	5,028
Due after more than one year:		
Between one and two years		5,613
Between two and five years		21,087
After more than 5 years		342,879
	Note 12	369,579
	Note 11 & 12	374,607

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

14 RESTRICTED RESERVES

	Relief in Need branch £	Gloucester District Nursing Charity £	Total £
At 1 October 2022	521,863	644,893	1,166,756
Transfer (to) / from profit and loss reserve	(4,305)	27,388	23,083
Direct expenditure	-	-	-
Transfer from revaluation reserve	2,541	6,503	9,044
At 30 September 2023	520,099	678,784	1,198,883

The Relief in Need reserve is made up of the Relief in Need Branch investments and the accumulated surplus of income generated by these investments over Relief in Need expenditure. The reserve may be applied only for the purpose set out in the constitutional scheme of the Charity.

The Gloucester District Nursing Charity reserve is made up of the accumulated surplus of income over expenditure generated by investments.

15 ENDOWMENT FUNDS

	As at 30 September 2023 £	As at 1 October 2022 £
Expendable Endowment		
Gloucester Relief in Sickness Endowment	477,930	446,507
Permanent Endowment		
Gloucester Relief in Sickness Endowment Fund	196,611	183,467
Nurses Welfare Fund	77,496	72,246
Wheeler Rest Home Repair Fund	196,952	183,674
Endowed Land	1,184,000	1,184,000
	2,132,989	2,069,894

Expendable Endowment

An expendable endowment fund is a fund that must be invested to produce income. Depending on the conditions attached to the endowment, the trustees will have a legal power to convert all or part of it into an income fund which can then be spent.

An expendable endowment differs from an income fund in that there is no actual requirement to spend the principal for the purposes of the charity unless or until the trustees decide to. However, income generated from expendable endowment is no different from income generated from permanent endowment and should be spent for the purposes of the charity within a reasonable time of receipt.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

15 ENDOWMENT FUNDS (continued)

Permanent Endowment

Permanent endowment is property of the charity (including land, buildings, cash or investments) which the trustees may not spend as if it were income.

It must be held permanently, sometimes to be used in furthering the charity's purposes, sometimes to produce an income for the charity. The trustees cannot normally spend permanent endowment without authority.

The terms of the endowment may permit assets within the fund to be sold and reinvested or may provide that some or all of the assets are retained indefinitely.

Purposes of endowment funds

The Gloucester Relief in Sickness Charity (formerly part of the General and Welfare Fund) and the Gloucester Relief in Sickness Endowment Fund (formerly 14 Clarence Street) were established to relieve cases of persons in need in the area of the City of Gloucester and the parishes immediately adjoining thereto who are sick, convalescent, disabled, handicapped or infirm.

The Nurses Welfare Fund (formerly part of the General and Welfare Fund) was established to provide income for the relief of nurses who are in need and who are resident as above and of retired nurses who are in need and were formerly employed by the Gloucester District Nursing Society.

The Wheeler Rest Home Repair Fund combines the permanent endowments known as the Wheeler Legacy and the Wheeler Legacy Maintenance. These endowments were founded by the will of Violet Eva Wheeler and constituted the property 15, Heathville Road, Gloucester, and a capital sum the income of which is used to be used to meet the objects of the Charity. The property was sold during 2000 and the proceeds reinvested.

Endowed land is held to generate investment income.

16 UNRESTRICTED FUNDS

	Investment Revaluation £	Property Revaluation £	Other £	Total 2023 £
As at 1 October	686,315	6,245,933	11,243,675	18,175,923
Surplus for the year	-	-	(172,210)	(172,210)
Revaluation of investments	(101,108)	1,600,892	-	1,499,784
Revaluation reserve on disposals	(264,276)	-	264,276	-
Net transfer to endowed funds	(68,316)	-	5,221	(63,095)
Net transfer to restricted funds	(9,044)	-	(23,083)	(32,127)
At 30 September	243,571	7,846,825	11,317,879	19,408,275

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

17 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

The total of future minimum lease payments is as follows:

	2023 £	2022 £
Not later than one year	25,125	31,020
Later than one year and not later than five years	10,666	29,115
	<u>35,791</u>	<u>60,135</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £20,583 (2022 - £20,644).

18 LEGAL STATUS

The Trust is a Registered Charity (number 205177) under the Charities Act 2022 and was constituted by way of a Scheme of the Charity Commissioners dated 4 April 1997. The Trust is also a Registered Social Landlord (number AO215) under section 5 of the Housing Associations Act 1985.

19 UNITING DIRECTION

A Uniting Direction was issued by the charity commission in 2009 for Gloucester District Nursing Charity and the Gloucester Charities Trust. The effect of this Uniting Direction was that the entities are registered under a common registration number and the trustees are required to prepare a single set of financial statements for the amalgamated charity.

20 TAXATION

The trust is a Registered Charity and is exempt from UK taxation on its charitable activities, no taxation therefore arises in respect of income.

21 NON-ADJUSTING EVENTS AFTER THE FINANCIAL PERIOD

Subsequent to the year end, Hewmar House was sold for £400,000.

Accounts

Charity Registration No: 205177
Regulator of Social Housing Registration No: AO215

THE GLOUCESTER CHARITIES TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

C O N T E N T S

	Page
INFORMATION AND ADVISORS	1
REPORT OF THE TRUSTEES	2
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	14
STATEMENT OF COMPREHENSIVE INCOME	17
STATEMENT OF FINANCIAL POSITION	18
STATEMENT OF CHANGES IN RESERVES	19
CASH FLOW STATEMENT	20
NOTES TO THE FINANCIAL STATEMENTS	22

**THE GLOUCESTER CHARITIES TRUST
INFORMATION AND ADVISORS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Registered Office and Principal Place of Business

Montpellier House
Montpellier
Gloucester
GL1 1LF

Bankers

NatWest Bank plc
21 Eastgate Street
Gloucester
GL1 1NH

Solicitors

Tayntons LLP
Clarence Chambers
8-12 Clarence Street
Gloucester
GL1 1DZ

Lodders Solicitors LLP
Glensanda House
1 Montpellier Parade,
Cheltenham
GL50 1UA

Auditor

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Investment Managers

Investec Wealth & Investment
2 Gresham Street
London
EC2V 7QP

Brewin Dolphin Limited
The Lypiatts
Lansdown Road
Cheltenham
GL50 2JA

Registered Charity Number

205177

Regulator of Social Housing Registration Number

AO215

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

TRUSTEES' REPORT

The Trustees present their annual report and the audited financial statements for the year ended 30 September 2022.

Aims and Objectives

The aims of the Charity are:

- Provision of quality sheltered accommodation at an affordable cost
- Extra care facilities for frail Almshouse residents
- Administer, effectively, the Relief in Need branch of the Charity

The Trust beneficiaries are older people in need in the County of Gloucestershire. The beneficiary selection policy is in accordance with the provisions of The Scheme, which is the governing document of the Trust.

The Trust also separately administers the former Gloucester District Nursing Charity (which was united with the Trust in 2008).

The aims of Gloucester District Nursing Charity are:

- The relief of persons in need resident in the area of benefit who are convalescent, disabled, or infirm by relieving their suffering or assisting their recovery
- The relief of nurses who are in need and are resident in the area of benefit; and
- The relief of any retired nurses who are in need and who were formerly employed by the Gloucester District Nursing Society

In exceptional cases the Trustees may grant relief to persons otherwise eligible who are resident outside the said area but in the opinion of the Trustees ought nevertheless for sufficient reason to be treated as if resident therein or who are located for the time being within that area.

Our Strategic Aims

- To grow and become a leading, strategic, and influential housing, care, and support services provider for older people
- To operate and further develop exceptional Almshouses offering additional care and support to maintain independent living,
- To ensure high quality service delivery in our residential and nursing homes specialising in dementia; end of life; and palliative care
- To expand our specialist dementia day care services in line with market demand to support those living independently as well as our own residents
- To support our local communities through our Relief in Need grant giving
- To build our own internal strengths and capabilities to increase our impact ensuring our organisational structure can deliver our strategic plan
- To pursue our other objectives whilst maintaining and improving the financial viability of the Trust

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Reference and Administrative Information

Principal Office: Up to 16 January 2023, the principal office was Century House, 100 London Road, Gloucester GL1 3PL. Since 16 January 2023, the principal office is Montpellier House, Montpellier, Gloucester GL1 1LF.

Mr S Ayland	Mr G Limbrick
Mrs A Conder (appointed 17 September 2021)	Mr G Locke (resigned 25 March 2022)
Mr Martin Collins (Chair)	Dr J Lugg
Dr I Donald	Mrs J Matthews (resigned 20 May 2022)
Mr T L Haines	Ms D Melvin
Mrs C Harber	Mrs G Payne
Mr Steve Heath (Vice Chair)	Miss P Tracey
Mr L Hensley	Mr M White
Mr G Howell	Mr C Youngson

The day to day running of the Trust affairs is managed by the Chief Executive, Mrs Kathryn Lewis.

Hazlewoods LLP provides audit services and related advice to the Trustees.

Tayntons Solicitors and Ladders Solicitors provide legal services and related advice to the Trustees.

NatWest Bank Plc provides financial services to the Trustees.

Investec Wealth & Investment provide investment services to the Trustees.

Brewin Dolphin provide investment services to the Trustees for the Gloucester District Nursing Charity funds.

Custodian Trustee – The Official Custodian

McCartneys LLP act as Land Agents for the Trust.

Structure, Governance and Management

The Charity is an unincorporated Charity (registration number 205177) with an unincorporated body of Trustees. The governing document of the Charity is The Scheme dated 4 April 1997 as amended by Scheme dated 16 December 1997 and Scheme dated 30 April 2001 registered with the Charity Commission. The Charity is a registered charity, an Almshouse charity, and a Registered Provider (RP). The Charity is registered with the Regulator of Social Housing, the Care Quality Commission (CQC) and is a member of the Almshouse Association.

The body of Trustees, when complete, consists of 18 Trustees of which nine are nominated Trustees and nine co-optative Trustees. The co-optative Trustees are individuals who through residence, occupation, or employment in or near the City of Gloucester have a specialist knowledge or interest in the work of the Charity. Of the nominated Trustees seven should be appointed by the Council of the City of Gloucester and two by the Committee of the Freeman of the City of Gloucester. The Trust has a Trustee Recruitment and Selection Policy and a separate Trustee Induction Policy which are reviewed every two years. Trustees are provided with an information pack upon joining the Trust which contains the most recent audited financial statements, the latest management account information, minutes of the two most recent General Meetings, a short history of the Trust, the Trust Schemes, and a copy of Charities Commission booklet CC3 – The Essential Trustee What you need to know, and a list of the year's forthcoming meetings. In addition, they are also issued with any policies with which they need to comply, the Code of Governance and the Terms of Reference of the various sub-committees.

Trustees can be co-opted by existing Trustees if they have the relevant skills, knowledge and background that enable them to meet an existing skills gap on the Board of Trustees.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

During 2021/2022 The Board of Trustees met bi-monthly to carry out the business of the Charity. Due to the lifting of covid-19 restrictions, most of our Board meetings were held face to face. GCT's Board has several sub-committees, Governance and Risk Management (formerly Audit and Governance), Finance and Property (which has adopted the Audit responsibilities associated with the former Audit & Governance Committee) and Welfare (Staff and Residents) which comprise of Trustees with a specialist knowledge or skill in a particularly relevant area. These committees meet approximately 4-6 times per year and take forward recommendations to the main meetings of the full Trustee Board. Employees of the Charity report to the main Board of Trustees at the bi-monthly meetings or through a monthly information pack and may refer recommendations for the consideration and approval of all Trustees.

The day to day running of the Trust is delegated to the Chief Executive supported by a Senior Management Team.

The Trust also operates an Advisory Committee which consists of the Chair, Vice Chair and one other Trustee to which the Chief Executive can refer should a decision need to be made urgently.

The Trustees are required under charity legislation and Homes England to prepare financial statements that give a true and fair view of the charity's performance during and at the end of the financial year.

Public Benefit

The Trust's main charitable aim is to provide good quality, affordable accommodation for older people from the County of Gloucestershire to meet the variety of needs which this client group presents. The Trust owns and manages 137 sheltered housing flats at four locations within Gloucester, both Guild House Residential Home and Magdalen House Nursing Home as well as the Kimbrose Club. The Trust therefore operates a circle of care which supports individuals living independently right through to those requiring Nursing care. The accommodation and care provided by the flats and Homes is open to the community of Gloucestershire subject to meeting the Trust's admission criteria. In addition, the Trust also offers a dedicated day care facility, The Kimbrose Club. The Club is open to older people (residents and non-residents) living with dementia, memory loss or depression and anxiety.

The Club is intended to accommodate those who live independently and have no personal care requirements. It is a lively, vibrant place where friendships are made, good food eaten and where there is the opportunity to discover new things to do. Due to the impact of covid-19, the Club was almost restarted from scratch as some of our members had moved into residential care and some were still fearful of contracting covid-19.

The above meets the public benefit criteria and falls within the Charities Act 2006 charitable purpose defined as "relief of those in need by reasons of youth, age, ill-health, disability, financial hardship or other disadvantage". All the Trust's charitable activities focus on directly improving the lives of older people by providing a range of housing and care options. The Trust's Relief in Need activities also clearly meet the public benefit criteria and are available to non-residents, of any age, subject to the requirements of the governing document.

In the furtherance of these aims the Board, as the Charity Trustees, have complied with the duty in s.4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

The Trust awarded grants to the value of £59,089 to individuals in the year via the Relief in Need and Gloucester District Nursing Charity schemes. There has been a steady number of applications during the year which is still indicative of the very difficult circumstances so many individuals have found themselves in. We have continued to follow a swifter grant approval process which was approved by the Board and set up in 2020 to ensure we are able to provide immediate support wherever possible.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Review of achievements and performance for the year

It must be noted that due to the impact of the coronavirus pandemic we still had to continue to make changes to the way in which we conducted our operational activities in the year; there were numerous difficulties to overcome and some of our planned projects had to be placed on hold especially where they involved either of the regulated services. We have found new ways of working to deal with the ongoing coronavirus situation and have been innovative and flexible in our approaches but have had to lockdown our Homes on several occasions due to having 2 or more staff / residents test positive for covid. This has prevented us from achieving anything like full occupancy as we have not been able to accept new residents when we have been closed. The requirement for all staff to be vaccinated did not impact on us too greatly regarding the loss of our existing staff, however it did impact on our ability to recruit new staff and we have had a very challenging year recruiting and retaining staff. We have become an Accredited Living Wage employer which we believe demonstrates our commitment to paying our staff a fair rate of pay for the work they do for us.

It is fair to say that this year has been another very challenging one, and we are grateful and appreciative to our core of dedicated staff who have worked hard throughout to ensure our residents have been well looked after and supported. We have had a successful recruitment period over the past few months and now have very few staff vacancies. We are determined to ensure we retain good staff and are mindful of the need for us to maintain staff wellbeing.

We had had yet more significant changes to our management teams during the year with the resignation of one Registered Manager, a Deputy Manager and our Head of Operations and Compliance. In addition, our Finance Manager also moved on to a new role. This resulted in some changes within our exiting management team where individuals have taken on additional responsibilities to ensure business continuity. We have now recruited a new Registered Manager and Deputy Manager for our Nursing Home and have a part time Finance Manager in post. The Head of Operations and Compliance role has been split and two of our team have interim responsibility for these vital areas.

Items brought forward from 2019/2020 – progress report

1. Secure planning permission to develop our Hewmar House site and build an enhanced sheltered housing scheme – Outcome: Planning permission on this development was eventually secured in December 2021. The Trust is now looking to sell the site as a development opportunity. **The Trust continues to look for a buyer.**
2. Create an additional flat at St Marks by making use of an under-utilised lounge and kitchen. Outcome: **This has been placed on hold due to other projects being prioritised.**
3. Create a contemporary open plan lounge / dining / kitchen room at St Marks in the downstairs communal area. Outcome: **This has been placed on hold due to the reasons listed in 2 above.**

Planned works 2020/2021 – progress report

In addition to our extensive programme of planned and preventative maintenance and cyclical maintenance, we managed to complete / progress the following capital expenditure works in 2020/2021:

1. 8 flat Extension block to Brunswick Road – **Planning permission had to be renewed as it expired in the year. Permission was granted in January 2023 for 8 x 1 bedroom flats and 1 x 3 bedroom maisonette. The Trust will now consider how best to move forward with this project.**
2. Continue our programme of refurbishment and upgrading of all our accommodation – **ongoing.**

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Performance Review

We have, as always, strived to ensure we have provided the highest standards of care and support for our residents with an emphasis on their overall wellbeing. Unfortunately, the Trust had more vacant flats and lower occupancy in our sheltered accommodation during the year than previously experienced, which was largely attributed to our focus being required elsewhere, namely, to complete our major project to change The York into what has become No76, our superb coffee house. This meant a delay in carrying out works in flats requiring refurbishment.

During the year the Trust also purchased Montpellier House for its Head Office. The previous building was no longer large enough to meet our needs. Montpellier House, which had been unoccupied for several years, required a completed refurbishment so that it would work efficiently and effectively for us. The extensive project was completed in January 2023, and we moved into our superbly appointed offices on 17th January. A large part of the refurbishment was carried out in house which further restricted our ability to carry out some planned works in other areas.

We experienced significantly higher than budgeted voids in our Nursing Home, Magdalen House and in our Residential Home, Guild House which was mainly due to on-off closure and not being able to admit residents at numerous times throughout the year. There was also a conscious decision made to ensure staff resources were not being unduly stretched whilst recruitment was underway. Magdalen House was still able to offer occasional respite care when it was safe to do so. Our focus for the next year is to improve our resident occupancy rate in both homes.

The promotion of the circle of care offered by the Trust continues to be a key feature of our service. We are always looking at ways in which to add more into our Circle of Care and the completion of our social enterprise project at The York, now known as No.76, has enhanced it further. We have had hugely positive responses to the opening of the coffee shop, and we have a steady stream of regular customers, many of whom live locally in supported housing or work in the NHS. We currently open Monday to Friday from 7.30am to 4.30pm. We are delighted to work with local suppliers and make every effort to improve sustainability and our green credentials.

We were very appreciative of the further Grants which we received from Gloucestershire County Council; these have helped us support our staff team, enhance resident engagement, and facilitate safe visits for relatives.

Recruitment and retention have been exceptionally difficult in Guild House and Magdalen House during the year; however, we have managed to maintain a core staff team. Regrettably, we have, had to rely upon the significant use of Agency staff to maintain safe staffing levels. As always, the staff team have done a wonderful job in caring for and meeting the needs of our residents and members and we are extremely appreciative of the dedication and commitment they continue to give under the most difficult of circumstances. As previously mentioned, we have shown our commitment to them by becoming an Accredited Living Wage employer. Our most recent staff survey indicates that the Trusts efforts to look after our staff have been well received.

The Magdalen House Team have successfully completed the Gold Standard Framework training for end-of-life care, an achievement of which we are extremely proud. We are utilising all the learning gained to date to ensure we offer the very best standards of end-of-life care.

We have made use of the opportunities where there have been vacant rooms at Guild House and Magdalen House to refurbish them to include new flooring, LED lighting upgrades and complete redecoration so they are ready to be occupied when a new resident wishes to move in.

Our Kimbrose Club has had a difficult year too. Membership numbers were restricted to fifteen for much of the year and the continued requirement to wear masks proved to be very challenging when communicating with our members who live with dementia. However, the staff team have coped admirably and, despite us having to virtually start the Club again from scratch, the membership has built up and our excellent reputation means we receive regular referrals to the service.

We have not progressed our programme of brand awareness of the Trust promoting GCT as there have been other far greater priorities needing to be addressed. We have continued to develop and improve upon the range of qualitative and quantitative information provided to our Trustees to assist them in the governance decisions and to provide them with assurances that the Trust is being well managed.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

In financial terms the Trust has not had a successful year in overall terms of the operational activities. Additionally, the performance of its investments has been significantly poorer than in the previous year. The Trust will be reviewing its investment management services in 2023 and every effort will be made to improve occupancy and revenue streams.

We have completed our Value for Money (VFM) metrics for inclusion in the accounts as we are now required to do and there are no concerns noted.

It is the intention of the Trust to continue to review the use and ownership of its non-core assets in line with our strategic plan and we held another full Board Strategy Day in June 2022 which was extremely useful and helped us focus on the priorities for the next 12 months and beyond. One of the main decisions to come out of the day was the decision to sell Mill Farm, one of our non-core assets to release funds for operational projects and service development. A considerable amount of this will be set aside for the refurbishment and upgrade of both Guild House and Magdalen House. We have an extensive summary of project and property development plans which will be prioritised throughout the year.

The Trust conducted several key reviews throughout the year including the six-monthly review of its Risk Summary and the corresponding action plans to mitigate risks in certain areas. The Strategic Plan has been reviewed and further updated particularly considering the events of the year. The Head of Operations and the Compliance Manager are working with the operational Managers to create detailed individual business plans for the next 12 months which will align with the overarching GCT plan.

In terms of its non-core assets, the Trust has continued to work closely with our Land Agent to market and sell Mill Farm in lots. This has been a successful activity and all the lots are sold and contracts exchanged. The overall effect of the sale means we will generate approximately £3 million for GCT to use for the continued development of our core services and provide an amount to set aside for the future.

Future Plans

We are intending to do the following this year, in addition to some of the items we were not able to progress previously:

- We plan to further develop, implement, and embed our well-being initiatives for staff to support our work on further developing a positive workplace culture.
- There will be further work carried out to ensure our quality and audit systems are effective and provide assurances to the Board of Trustees that the management of the organisation is being competently and efficiently carried out with an updated suite of management information tools. We have further refined the suite of information provided to the Board so that it consists of essential qualitative and quantitative information for them to meet their governance obligations effectively.
- We are planning a major review and revision of our QA and Audit systems throughout the organisation.
- We will be implementing the changes required in our staff training programmes to ensure they enable us to equip staff with the necessary skills and knowledge to meet our residents care and support needs.
- We will carry out further work on developing and implementing detailed business plans for each of our areas of operation which align with the overall strategic plans of the Trust.
- We will complete phased refurbishment programmes for Guild House, Magdalen House and our sheltered accommodation to improve them and ensure they are future proofed.
- Creation of a bespoke IT plan to improve the efficiency and effectiveness of GCT's internal and external systems
- We will conduct a further review of non-core assets to ensure they are fully utilised to benefit GCT's core activities.
- A Quinquennial inspection of our listed buildings is planned in April 2023, the recommendations of which will be considered by the Board.
- Marketing and PR activities increased to promote GCT in order to improve resident / membership numbers
- We will review our grant giving scheme with a view to ensuring it is more accessible to those who meet the criteria and will derive benefit from it.
- GCT is currently reviewing its governance structure; this will be closely scrutinised on the Strategy Day in 2023

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Risks

The Trustees have considered the financial and operational risks to which the Trust is potentially exposed and have introduced policies and management structures to mitigate them. The biggest risk to us is maintaining occupancy coupled with the care cap compliance requirement of the Care Act 2014 which is due to be implemented in October 2023.

Our financial controls are designed to minimise the risk of fraud or other losses and are regularly reviewed and updated. The Trust has appropriate insurance coverage for the activities in which it is involved. The Trust's reserves policy allows the Trust to continue operating for several years with a trading deficit if the Trustees decide this is warranted. This is particularly the case in the creation of new services which will take several years to break even. Risk management is embedded in all areas of the Trust's operations as a key activity that is to be continually reviewed and assessed.

The Trust has a detailed Key Risk Register which is regularly updated by the CEO and management team in conjunction with the relevant sub-committee and reviewed by the Governance and Risk Management Committee (formerly known as Audit and Governance) on a six-monthly basis as well as by each individual committee where they review the risks specifically associated with the remit of that committee.

Investment policy and objectives

The investment policy provides for a broad-based portfolio of both financial and property investments to provide income for the Relief-in-Need branches, and security of endowed capital. This is particularly relevant when Trustees are looking at the potential cost of the major development projects which they have commissioned. The importance of keeping the reserves at a level which is sufficient to fund the future upkeep and development of Trust properties continues to be a major consideration for Trustees. The Trust also aims to maximise the income on temporarily invested restricted funds.

The Charity Commission Scheme dated 4 April 1997 empowers the Trustees to make such arrangements as they think fit for any investments of the Charity to be held by a corporate body which is incorporated in England and Wales as the Trustees' nominee.

Clear investment direction is provided to the Investment Managers at the annual review meeting; however, the Trustees have not felt it necessary or appropriate to give specific instructions regarding the extent that social, environmental, or ethical considerations are taken into account, in relation to the retention and realisation of investments.

The Trust reviewed its Investment Management options during 2017 and decided not to make any changes at that time. The Investment Management options are to be reviewed in 2023.

Reserves policy

Under the Housing SORP 2014 designated funds are no longer permitted and must revert to normal unrestricted reserves. The unrestricted reserves of the Trust therefore include those previously designated as either Cyclical Maintenance Fund (CMF) or Extraordinary Repair Fund (ERF) reserves.

The Trustees are satisfied that the reserves held are commensurate with the scale of operations. Most the Trust's fixed assets are held either in our housing or investment properties therefore the level of reserves is commensurate with the contingency required to ensure the ongoing business of the Trust. Details of the levels of reserves at the year end, and the policies attached to each reserve, can be found in notes 14 to 16 of these financial statements.

Key Value for Money Metrics

In April 2018 the Regulator of Social Housing has introduced a requirement of small registered social housing landlords to include their Value for Money (VFM) metrics in their annual financial statements.

Below are the seven metrics for the Trust. Figures are in Pounds Sterling.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Metric 1 – Reinvestment %

This metric looks at the investment in properties as a percentage of the value of the total properties held (THP – Total Housing Properties). The reinvestment activities include development and/or acquisition of new properties and major maintenance works carried out in our existing properties (i.e. central heating upgrades, new kitchens and bathrooms installations etc).

	2021/22	2020/21
Development of New Properties (THP)	-	-
Newly build properties acquired (THP)	-	-
Works to Existing (THP)	85,237	384,119
Divided by:		
Housing Properties at net book value	2,635,642	2,625,755
Outcome	3%	15%

Metric 2 – New Supply Delivered %

The New Supply metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at 30 September 2022.

	2021/22	2020/21
a. Social Housing Units		
Total Social Housing Units Developed or Newly Built Units Acquired In-Year	0	0
Divided by Total Social Housing Units (inc. Shared Ownership)	137	137
Outcome	0%	0%
b. Non-Social Housing Units		
Total Non-Social Units Developed or Newly Built Units Acquired In-Year (Owned). (Total non-social rental housing units owned, non-social leasehold units owned, new outright sale units developed or acquired).	0	0
Divided by Total and Non-Social Housing Units Owned (Period End). (Total social housing units owned, total non-social rental housing units owned, social leasehold units owned, non-social leasehold units owned (Period end))	0	0
Outcome	0%	0%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Metric 3 – Gearing %

This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance.

	2021/22	2020/21
Total of:		
Short-Term Loans	4,499	4,037
Long-Term Loans	374,648	379,147
Less Cash and Cash Equivalents	(1,331,810)	(1,579,509)
Divided by:		
Housing Properties at net book value	2,635,642	2,625,755
Outcome	-36%	-46%

Metric 4 – Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %

The EBITDA MRI interest cover measure is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates compared to interest payable.

	2021/22	2020/21
Operating Surplus	94,243	293,749
Less Gain / (loss) on disposal of fixed assets (housing properties)	-	-
Less Amortised Government grant	-	-
Plus Interest receivable	-	-
Less Capitalised major repairs expenditure for period	(85,235)	(384,119)
Plus Total depreciation charge for period	176,170	147,803
Divided by:		
Interest Capitalised	-	-
Plus Interest payable and financing costs	42,735	42,735
Outcome	433%	134%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Metric 5 – Headline Social Housing Cost Per Unit

	2021/22	2020/21
Total of:		
Management Costs	150,201	72,911
Service Charge Costs	622,710	554,564
Routine Maintenance Costs	55,642	38,255
Planned Maintenance Costs	109,365	113,491
Bad Debts	670	3,201
Depreciation of housing properties	176,170	147,803
Other Social Housing Costs	-	6,214
Divided by:		
Total Social Housing Units Owned and Managed at the Period End	137	137
Outcome	8,137	6,835

Metric 6 – Operating Margin %

The Operating margin demonstrates the profitability of operating assets before exceptional expenses are considered.

The Association's operating margin shows that the organization uses its resources efficiently. The social housing lettings excludes the social housing grant amortisation.

	2021/22	2020/21
a. Social Housing Lettings	8%	24%
b. Overall	-3%	3%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Metric 7 – Return on Capital Employed (ROCE) %

This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources. The ROCE metric would support registered providers with a wide range of capital investment programmes.

	2021/22	2020/21
Operating Surplus / (Deficit) inc. Gain / (Loss) on Disposal of Fixed Assets (Housing Properties)	94,243	293,749
Divided by:		
Total Assets less Current Liabilities	23,269,548	23,809,250
Outcome	0%	1%

Commentary

We are conscious of our obligations to provide value for money in the services we provide, as evidenced in the metrics included in these financial statements. The metrics above are applicable to the Almshouse activities of the charity, and therefore the information provided relates solely to the Almshouses where relevant.

The Almshouses are just one part, albeit a very important one, of the overall care activities of the charity. Unlike most providers of social housing, the charity derives most of its income from other activities. As a result, it is difficult to benchmark the metrics as the activities of the charity are relatively unique. The trustees do, however, consider the metrics to be within their expectations and show a very positive outlook for the Almshouse activities and the charity as a whole.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Registered Social Housing Legislation and the Charities Act 1993 require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Charity's affairs and of its income and expenditure for the period. In preparing those financial statements, the Trustees are required to: -

- 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 financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Scheme of the Charity Commissioners dated 4 April 1997 by which the Charity was constituted, Section 1 to the Housing Act 2006, Regulation 4 of the Charities Accounts and Reports Regulations 1995, the Statement of Recommended Practice – Accounting by Registered Social Landlords and the Accounting Requirements for Registered Social Landlords General Determination 2006. They are also responsible for taking reasonable steps to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Auditors

Hazlewoods acted as auditors during the year.

Approved and authorised for issue by the Trustees on ~~22.03.2023~~



Mr Martin Collins – Chairman



Mr Steve Heath – Vice Chairman

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

Opinion

We have audited the financial statements of The Gloucester Charities Trust for the year ended 30 September 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. 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).

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2022 and of its incoming resources and application of resources, including its income and expenditure, 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. 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.

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

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

Opinion on other matters prescribed by the Charities Act 2011

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

- the information given in the Report of the Trustees for the financial period for which the financial statements are prepared is consistent with the financial statements.
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all of the information and explanations we require for our audit.

Respective responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISA's (UK).

In identifying and assessing risks of material mis-statement in respect of fraud, including irregularities and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company financial statements or that had a fundamental effect on the company's operations. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and taxation laws.
- We understood how the company is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assesses the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process. Detailed analysis of journals posted through the accounting system during the year to 31 August 2022 has been undertaken;
 - Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud, and they appeared to be working effectively;
 - Challenging assumptions and judgements made by management in its significant accounting estimates.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 154 of the Charities Act 2011. Our 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.



Stephanie Hayman (Senior Statutory Auditor)

Date: 22/3/2023

**For and on behalf of Hazlewoods LLP
Statutory Auditors**

Windsor House
Bayshill Road
Cheltenham
Gloucestershire
GL50 3AT

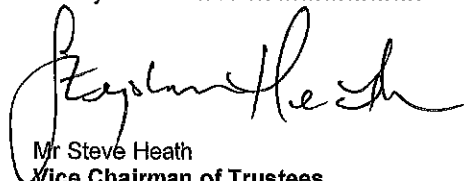
**THE GLOUCESTER CHARITIES TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Note	2022 £	2021 £
TURNOVER	2	4,654,453	4,420,290
COVID income	2	108,819	154,468
Operating costs	2	<u>(4,906,138)</u>	<u>(4,417,795)</u>
OPERATING (DEFICIT)/SURPLUS	2	(142,866)	156,963
Surplus on disposal of tangible fixed assets		172,252	9,973
(Deficit)/surplus on disposal of fixed asset investments		<u>(90,414)</u>	<u>65,318</u>
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE INVESTMENT INCOME AND INTEREST		(61,028)	232,254
Interest receivable and other income	6	154,259	144,483
Interest payable and similar charges	7	<u>(47,818)</u>	<u>(49,416)</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE CHANGES IN MARKET VALUE OF INVESTMENTS		45,413	327,321
Movement in fair value of investments		<u>(556,998)</u>	<u>745,138</u>
(DEFICIT)/SURPLUS FOR THE YEAR		(511,585)	1,072,459
Unrealised surplus on revaluation of investment property		-	1,772,702
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(511,585)</u>	<u>2,845,161</u>

These financial statements were approved and authorised for issue by the Trustees on 22.03.2023



Mr Martin Collins
Chairman of Trustees
The Gloucester Charities Trust



Mr Steve Heath
Vice Chairman of Trustees
The Gloucester Charities Trust

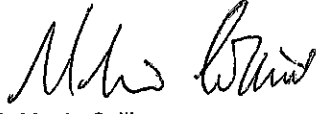
The Trust's results relate wholly to continuing activities.

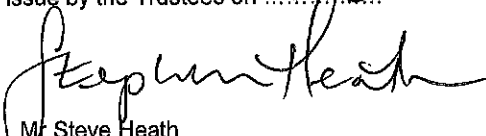
The notes on pages 22 to 35 form part of these financial statements.

**THE GLOUCESTER CHARITIES TRUST
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Note	2022	2021
FIXED ASSETS			
Housing properties		2,635,642	2,625,755
Extra care facilities and head office		4,181,044	3,206,473
Investment properties		10,058,394	10,229,167
Other assets		<u>319,755</u>	<u>390,358</u>
Tangible fixed assets	8	17,194,836	16,451,753
Investments	9	<u>5,227,699</u>	<u>6,071,856</u>
		22,422,535	22,523,609
CURRENT ASSETS			
Stock		1,635	-
Debtors	10	192,414	153,131
Cash at bank and in hand		<u>1,331,810</u>	<u>1,579,509</u>
		1,525,859	1,732,640
CREDITORS: amounts falling due within one year	11	<u>(678,847)</u>	<u>(446,999)</u>
NET CURRENT ASSETS		<u>847,013</u>	<u>1,285,641</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>23,269,548</u>	<u>23,809,250</u>
CREDITORS: amounts falling due after more than one year	12	<u>1,856,975</u>	<u>1,885,093</u>
FINANCING AND RESERVES			
Restricted reserves	14	1,166,756	1,188,944
Unrestricted funds	16	18,175,923	18,546,090
Endowment funds	15	<u>2,069,894</u>	<u>2,189,123</u>
		21,412,573	21,924,157
		<u>23,269,548</u>	<u>23,809,250</u>

These financial statements were approved and authorised for issue by the Trustees on ~~22.03.2023~~ **22.03.2023**


Mr Martin Collins
Chairman of Trustees
The Gloucester Charities Trust


Mr Steve Heath
Vice Chairman of Trustees
The Gloucester Charities Trust

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	2022	Restricted Reserves £	Unrestricted Funds £	Endowment Funds £	Total £
Balance at 1 October 2021		1,188,944	18,546,090	2,189,123	21,924,157
Total comprehensive income		(22,188)	(370,168)	(119,229)	(511,585)
Balance at 30 September 2022		1,166,756	18,175,922	2,069,894	21,412,572

	2021	Restricted Reserves £	Unrestricted Funds £	Endowment Funds £	Total £
Balance at 1 October 2020		1,154,549	15,871,498	2,052,949	19,078,996
Total comprehensive income		34,395	2,674,592	136,174	2,845,161
Balance at 30 September 2021		1,188,944	18,546,090	2,189,123	21,924,157

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	2022	2021 £
Net cash generated from operating activities (note i)	379,540	490,216
Cash flow from investing activities		
Purchase of investment securities	(1,018,507)	(708,115)
Sale and maturity of investment securities	1,215,252	681,682
Purchase of tangible fixed assets	(1,448,640)	(628,397)
Sales proceeds from disposal of tangible fixed assets	522,252	15,886
Interest received	-	-
	(729,643)	(638,944)
Cash flow from financing activities		
Dividends received	154,259	144,483
Interest paid	(47,818)	(49,416)
Repayment of borrowings	(4,037)	(3,619)
	102,404	91,448
Net change in cash and cash equivalents (note ii)	(247,699)	(57,280)
Cash and cash equivalents at beginning of year	1,579,509	1,636,789
Cash and cash equivalents at end of year	1,331,810	1,579,509

	2022 £	2021 £
i) ANALYSIS OF CASH FLOWS		
Cash flow from operating activities		
Surplus for the year before revaluation of investments	45,413	327,321
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	355,557	345,610
Increase in debtors	(39,283)	(20,152)
Increase in creditors	231,386	31,414
Increase in stock	(1,635)	-
Surplus on sale of tangible fixed assets	(172,252)	(9,973)
Deficit / (Surplus) on sale of fixed asset investments	90,414	(65,318)
Adjustments for investing or financing activities:		
Government grants utilised in the year	(23,619)	(23,619)
Interest payable	47,818	49,416
Dividends received	(154,259)	(144,483)
Net cash generated from operating activities	379,540	490,216

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

ii) ANALYSIS OF NET DEBT

	At 1 October 2021 £	Cash flow £	Non-cash movement £	Total 2022 £
Cash at bank and in hand	1,579,509	(247,699)	-	1,331,810
Debt due within one year	(4,037)	4,037	(4,499)	(4,499)
Debt due in more than one year	(379,147)	-	4,499	(374,648)
Net debt	1,196,325	(243,662)	-	952,663

**THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

1 ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom including Financial Reporting Standard (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2019.

Basis of accounting

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, rounded to the nearest pound, being the functional currency of the primary economic environment in which the Trust operates.

Turnover

Turnover represents weekly maintenance contributions, nursing home fees, residential home fees and commercial rent-receivable.

Going concern

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation, with the exception of investment properties which are shown at open market value. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following rates per annum:

Freehold housing properties	See below
Refurbishments	5%-12.5%
Office fixtures and fittings	20%
Motor vehicles	25%
Nursing Home and Day Centre fixed equipment	10%-20%

**THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

1 ACCOUNTING POLICIES (continued)

Housing properties

The Trust accounts for its expenditure on housing properties using component accounting. Under component accounting, in addition to the structure, the housing property is divided into those major components which are considered to have substantially different useful economic lives as follows:

Main Fabric	100 years
Roof	50 years
Windows and doors	20 years
Bathrooms	10 years
Electrics	20 years
Lifts	20 years
Heating	15 years
Kitchens	10 years

As required by FRS 102, the Trust has reviewed the useful economic lives of its housing properties and depreciates the property accordingly.

The Trust capitalises work to existing properties which results in an increase in the net rental income, including a reduction in maintenance costs, or results in significant extension to the useful economic life of the property.

Where property components with a separate identifiable life are replaced, the new components are capitalised with new life and the old components, if any, are written off.

Housing properties in the course of construction are stated at cost and are not depreciated.

Social Housing Grant and Other Capital Grants

Where developments have been financed wholly or partly by Social Housing Grant "SHG" (formerly "HAG"), the grants are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

SHG and HAG is repayable under certain circumstances, primarily following sale of a property but will normally be restricted to proceeds of sale, if this is lower than the initial grant received.

Government Grant

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants relating to revenue are recognised in income over the period in which the related costs are recognised.

Capitalisation of interest

Interest on mortgage loans financing new developments is capitalised up to the date of practical completion of the scheme.

Leased assets

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Investments

Investments are stated at market value and are in accordance with the valuation reports received from the Investment Managers.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 ACCOUNTING POLICIES (continued)

Trade debtors

Trade debtors are amounts due from customers for the rental of Housing properties.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Trade Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Taxation

The Trust is of charitable status and therefore exempt from taxation. Irrecoverable VAT on expenditure is included as part of the cost of the item of expenditure to which the VAT relates.

Pension costs

The Charity operates a defined contribution pension scheme. Contributions are charged to the income and expenditure accounts as they became payable in accordance with the rules of the scheme.

Legacy income

Legacy income is recognised in the income and expenditure account on a receivable basis.

Restricted reserves

These are detailed in note 14 to the financial statements.

Endowment Funds

These are detailed in note 15 to the financial statements.

Financial instruments

The trust only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other receivables and payables, and investments in non-puttable ordinary shares.

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets or financial liabilities.

Debt instruments like loans and other receivables and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Investments in non-puttable ordinary shares are measured at cost less impairment for all other investments.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying value and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the trust would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount recognised in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

At each reporting date non-financial assets not carried at fair value, such as property, plant and equipment are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less costs to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in the reported surplus or deficit.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2 PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

2022	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£	£	£
Social housing lettings (see note 3)	1,209,001	(1,114,758)	94,243
Grant income	23,619	-	23,619
Activities other than social housing			
Investment property lettings	329,894	-	329,894
Charitable giving	-	(59,089)	(59,089)
Administration costs	-	(215,025)	(215,025)
Kimbrose Club	181,876	(204,861)	(22,985)
Extra-care facility	2,862,341	(3,235,208)	(372,867)
Other income	156,541	(77,197)	79,344
Total	4,763,272	(4,906,138)	(142,866)
2021	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£	£	£
Social housing lettings (see note 3)	1,230,188	(936,439)	293,749
Grant income	22,583	-	22,583
Activities other than social housing			
Investment property lettings	226,038	-	226,038
Charitable giving	-	(83,956)	(83,956)
Administration costs	-	(224,131)	(224,131)
Kimbrose Club	119,335	(196,370)	(77,035)
Extra-care facility	2,824,545	(2,976,899)	(152,354)
Other income	152,069	-	152,069
Total	4,574,758	(4,417,795)	156,963

All income is generated within the United Kingdom.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

3 PARTICULARS OF TURNOVER AND OPERATING EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	Supported housing (including housing for older people)	
	2022	2021
	£	£
Income		
Rent receivable net of identifiable service charges	654,047	640,236
Service charge income	529,116	551,667
Government grants taken to income	-	12,753
Other grants	25,838	25,532
Turnover from social housing lettings	1,209,001	1,230,188
Operating expenditure		
Management	150,201	72,911
Service charge costs	622,710	554,564
Routine maintenance	55,642	38,255
Planned maintenance	109,365	113,491
Bad debts	670	3,201
Depreciation of housing properties	176,170	147,803
Other costs	-	6,214
Operating expenditure on social housing lettings	1,114,758	936,439
Operating surplus on social housing Lettings	94,243	293,749
Void losses	58,953	51,885

During the year ended 30 September 2022, the Charity owned 137 units of social housing accommodation under its own management (2021 - 137).

The average weekly maintenance contribution on social housing accommodation was £93.95 (2021 - £92.57).

There were no general needs housing or other categories for the social housing lettings.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

4 EMPLOYEES

	2022	2021
Average number of employees expressed in full time equivalents	<u>123</u>	<u>121</u>
Employees costs during the year		
Wages and salaries	2,729,429	2,552,360
Social security costs	204,548	175,273
Other pension costs	<u>62,902</u>	<u>60,080</u>
	<u>2,996,879</u>	<u>2,787,713</u>
Emoluments to Chief Executive Officer	<u>96,446</u>	<u>89,576</u>

The CEO is an ordinary member of the Trust Group Personal Pension Scheme and there are no special terms applied. The contribution made by the Trust is 8% of gross salary; CEO pays 3% individual contribution, which is the same as all other members of the Pension Scheme. The CEO has no other personal pension agreement to which the Trust makes a contribution.

The above represents the emoluments of the highest paid officer. The Trustees, who constitute the managing body of the trust, received no remuneration therefrom. One employee of the trust was paid between £90,000 and £100,000 and nil paid between £80,000 and £90,000 (2021 – nil paid between £90,000 and £100,000, one paid between £80,000 and £90,000).

The Trust has no officers other than the Trustees and the Chief Executive.

5 AUDITOR'S REMUNERATION

	2022	2021
	£	£
Remuneration payable to the auditor including Value Added		
Tax was as follows:		
For audit services	<u>10,740</u>	<u>10,200</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

6 INTEREST RECEIVABLE AND OTHER INCOME

	2022	2021
	£	£
Investment income		
Dividend income	<u>154,259</u>	<u>144,483</u>

7 INTEREST PAYABLE

	2022	2021
	£	£
Interest payable and similar charges		
Housing corporation loans (see note 13)	42,316	42,735
Bank charges payable	<u>5,502</u>	<u>6,681</u>
	<u>47,818</u>	<u>49,416</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

8 TANGIBLE FIXED ASSETS

	Housing properties £	Extra-care facility and head office £	Investment properties £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 October 2021	4,404,547	5,186,550	10,229,167	2,558,884	71,737	22,450,885
Additions	85,235	1,080,738	179,227	82,570	20,870	1,448,640
Revaluation	-	-	-	-	-	-
Disposals	-	(111,420)	(350,000)	-	-	(461,420)
At 30 September 2022	4,489,782	6,155,868	10,058,394	2,641,454	92,607	23,438,105
Depreciation						
At 1 October 2021	1,778,792	1,980,077	-	2,184,316	55,947	5,999,132
Charge for the year	75,348	106,167	-	159,796	14,246	355,557
Disposals	-	(111,420)	-	-	-	(111,420)
At 30 September 2022	1,854,140	1,974,824	-	2,344,112	70,193	6,243,269
NET BOOK VALUE						
At 30 September 2022	2,635,642	4,181,044	10,058,394	297,342	22,414	17,194,836
At 30 September 2021	2,625,755	3,206,473	10,229,167	374,568	15,790	16,451,753

The extra-care facility is a freehold nursing home, a day care centre and a residential home. All other properties above are also freehold. The investment properties are commercially let. Certain investment properties were revalued during the year by the Trustees following consultations with McCartneys LLP, Chartered Surveyors. The historical cost of the investment properties at 30 September 2022 is £5,114,367 (2021 - £5,285,140).

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

9 INVESTMENTS

	Total £
At 1 October 2021	6,071,856
Additions	1,018,507
Disposals	(1,305,666)
Change in market value	(556,998)
At 30 September 2022	<u>5,227,699</u>
Cost:	
30 September 2022	<u>4,189,260</u>
<i>30 September 2021</i>	<i><u>3,970,105</u></i>

All investments are quoted.

No individual investment makes up more than 5% of the total investment portfolio.

10 DEBTORS

	2022 £	2021 £
Trade debtors	101,059	92,420
Other debtors and prepayments	91,355	60,711
	<u>192,414</u>	<u>153,131</u>

11 CREDITORS – due within one year

	2022 £	2021 £
Trade creditors	371,653	175,266
Other creditors and accruals	279,076	244,077
Deferred income – Social Housing grants	23,619	23,619
Housing loans (note 13)	4,499	4,037
	<u>678,847</u>	<u>446,999</u>

12 CREDITORS – due after more than one year

	2022 £	2021 £
Deferred income – Social Housing grants	1,482,327	1,505,946
Housing loans (note 13)	374,648	379,147
	<u>1,856,975</u>	<u>1,885,093</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

13 HOUSING LOANS

Borrowings included in creditors due within and after more than one year are as follows:

	2022	2021
	£	£
Loan secured by mortgage on St Margarets Property repayable by equal annual instalments over 60 years at an interest rate of 14.75%, repayments commenced in 1978	39,101	39,686
Loan secured by mortgage on St Phillips Court Property repayable by equal annual instalments over 60 years at an interest rate of 11.37%, repayment commenced in 1983	77,828	78,780
Loan secured by mortgage on St Marks Property repayable by equal annual instalments over 60 years at an interest rate of 10.25%, repayments commenced 1984	72,367	73,243
Loan secured by mortgage on St Bartholomews Property repayable by equal annual instalments over 60 years at an interest rate of 10.5%, repayments commenced 1987	189,851	191,475
Total secured borrowings	379,147	383,184
Loans are repayable as follows:		
Due within one year	Note 11	
	4,499	4,037
Due after more than one year:		
Between one and two years	5,028	4,037
Between two and five years	19,841	16,148
After more than 5 years	349,779	358,962
	Note 12	
	374,648	379,147
	Note 11 & 12	
	379,147	383,184

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

14 RESTRICTED RESERVES

	Relief in Need branch £	Gloucester District Nursing Charity £	Total £
At 1 October 2021	566,461	622,483	1,188,944
Transfer (to) / from profit and loss reserve	(25,030)	33,206	(8,176)
Direct expenditure	-	-	-
Transfer from revaluation reserve	(19,568)	(10,796)	(30,364)
At 30 September 2022	521,863	644,893	1,166,756

The Relief in Need reserve is made up of the Relief in Need Branch investments and the accumulated surplus of income generated by these investments over Relief in Need expenditure. The reserve may be applied only for the purpose set out in the constitutional scheme of the Charity.

The Gloucester District Nursing Charity reserve is made up of the accumulated surplus of income over expenditure generated by investments.

15 ENDOWMENT FUNDS

	As at 30 September 2022 £	As at 1 October 2021 £
Expendable Endowment		
Gloucester Relief in Sickness Endowment	446,507	505,969
Permanent Endowment		
Gloucester Relief in Sickness Endowment Fund	183,467	208,287
Nurses Welfare Fund	72,246	82,144
Wheeler Rest Home Repair Fund	183,674	208,723
Endowed Land	1,184,000	1,184,000
	2,069,894	2,189,123

Expendable Endowment

An expendable endowment fund is a fund that must be invested to produce income. Depending on the conditions attached to the endowment, the trustees will have a legal power to convert all or part of it into an income fund which can then be spent.

An expendable endowment differs from an income fund in that there is no actual requirement to spend the principal for the purposes of the charity unless or until the trustees decide to. However, income generated from expendable endowment is no different from income generated from permanent endowment and should be spent for the purposes of the charity within a reasonable time of receipt.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

15 ENDOWMENT FUNDS (continued)

Permanent Endowment

Permanent endowment is property of the charity (including land, buildings, cash or investments) which the trustees may not spend as if it were income.

It must be held permanently, sometimes to be used in furthering the charity's purposes, sometimes to produce an income for the charity. The trustees cannot normally spend permanent endowment without authority.

The terms of the endowment may permit assets within the fund to be sold and reinvested or may provide that some or all of the assets are retained indefinitely.

Purposes of endowment funds

The Gloucester Relief in Sickness Charity (formerly part of the General and Welfare Fund) and the Gloucester Relief in Sickness Endowment Fund (formerly 14 Clarence Street) were established to relieve cases of persons in need in the area of the City of Gloucester and the parishes immediately adjoining thereto who are sick, convalescent, disabled, handicapped or infirm.

The Nurses Welfare Fund (formerly part of the General and Welfare Fund) was established to provide income for the relief of nurses who are in need and who are resident as above and of retired nurses who are in need and were formerly employed by the Gloucester District Nursing Society.

The Wheeler Rest Home Repair Fund combines the permanent endowments known as the Wheeler Legacy and the Wheeler Legacy Maintenance. These endowments were founded by the will of Violet Eva Wheeler and constituted the property 15, Heathville Road, Gloucester, and a capital sum the income of which is used to be used to meet the objects of the Charity. The property was sold during 2000 and the proceeds reinvested.

Endowed land is held to generate investment income.

16 UNRESTRICTED FUNDS

	Investment Revaluation	Property Revaluation	Other	Total 2022
	£	£	£	£
As at 1 October	1,246,414	6,245,933	11,053,743	18,546,090
Surplus for the year	-	-	(98,364)	(98,364)
Revaluation of investments	(413,220)	-	-	(413,220)
Revaluation reserve on disposals	(290,656)	-	290,656	-
Net transfer to endowed funds	113,413	-	5,816	119,229
Net transfer to restricted funds	30,364	-	(8,176)	22,188
At 30 September	686,315	6,245,933	11,243,675	18,175,923

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

17 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

The total of future minimum lease payments is as follows:

	2022 £	2021 £
Not later than one year	31,020	37,312
Later than one year and not later than five years	29,115	60,135
	<u>60,135</u>	<u>97,447</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £20,644 (2021 - £21,027).

18 LEGAL STATUS

The Trust is a Registered Charity (number 205177) under the Charities Act 2011 and was constituted by way of a Scheme of the Charity Commissioners dated 4 April 1997. The Trust is also a Registered Social Landlord (number AO215) under section 5 of the Housing Associations Act 1985.

19 UNITING DIRECTION

A Uniting Direction was issued by the charity commission in 2009 for Gloucester District Nursing Charity and the Gloucester Charities Trust. The effect of this Uniting Direction was that the entities are registered under a common registration number and the trustees are required to prepare a single set of financial statements for the amalgamated charity.

20 TAXATION

The trust is a Registered Charity and is exempt from UK taxation on its charitable activities, no taxation therefore arises in respect of income.

21 NON-ADJUSTING EVENTS AFTER THE FINANCIAL PERIOD

Following the year end, Mill Farm has been sold for a total consideration of £2,873,000.

Accounts

Charity Registration No: 205177
Regulator of Social Housing Registration No: AO215

THE GLOUCESTER CHARITIES TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

C O N T E N T S

	Page
INFORMATION AND ADVISORS	1
REPORT OF THE TRUSTEES	2
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	14
STATEMENT OF COMPREHENSIVE INCOME	17
STATEMENT OF FINANCIAL POSITION	18
STATEMENT OF CHANGES IN RESERVES	19
CASH FLOW STATEMENT	20
NOTES TO THE FINANCIAL STATEMENTS	22

**THE GLOUCESTER CHARITIES TRUST
INFORMATION AND ADVISORS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Registered Office and Principal Place of Business

Century House
100 London Road
Gloucester
GL1 3PL

Bankers

NatWest Bank plc
21 Eastgate Street
Gloucester
GL1 1NH

Solicitors

Tayntons LLP
Clarence Chambers
8-12 Clarence Street
Gloucester
GL1 1DZ

Lodders Solicitors LLP
Glensanda House
1 Montpellier Parade,
Cheltenham
GL50 1UA

Auditor

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Investment Managers

Investec Wealth & Investment
2 Gresham Street
London
EC2V 7QP

Brewin Dolphin Limited
The Lypiatts
Lansdown Road
Cheltenham
GL50 2JA

Registered Charity Number

205177

Regulator of Social Housing Registration Number

AO215

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

TRUSTEES' REPORT

The Trustees present their annual report and the audited financial statements for the year ended 30 September 2021.

Aims and Objectives

The aims of the Charity are:

- Provision of quality sheltered accommodation at an affordable cost
- Extra care facilities for frail Almshouse residents
- Administer, effectively the Relief in Need branch of the Charity

The Trust beneficiaries are older people in need in the County of Gloucestershire. The beneficiary selection policy is in accordance with the provisions of The Scheme, which is the governing document of the Trust.

The Trust also separately administers the former Gloucester District Nursing Charity (which was united with the Trust in 2008).

The aims of Gloucester District Nursing Charity are:

- The relief of persons in need resident in the area of benefit who are convalescent, disabled, or infirm by relieving their suffering or assisting their recovery
- The relief of nurses who are in need and are resident in the area of benefit; and
- The relief of any retired nurses who are in need and who were formerly employed by the Gloucester District Nursing Society

In exceptional cases the Trustees may grant relief to persons otherwise eligible who are resident outside the said area but in the opinion of the Trustees ought nevertheless for sufficient reason to be treated as if resident therein or who are located for the time being within that area.

Our Strategic Aims

- To grow and become a leading, strategic, and influential housing, care, and support services provider for older people
- To operate and further develop exceptional Almshouses offering additional care and support to maintain independent living,
- To ensure high quality service delivery in our residential and nursing homes specialising in dementia; end of life; and palliative care
- To expand our specialist dementia day care services in line with market demand to support those living independently as well as our own residents
- To support our local communities through our Relief in Need grant giving
- To build our own internal strengths and capabilities to increase our impact ensuring our organisational structure can deliver our strategic plan
- To pursue our other objectives whilst maintaining and improving the financial viability of the Trust

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Reference and Administrative Information

Principal Office: Century House, 100 London Road, Gloucester GL1 3PL

Mr Martin Collins (Chairman)	Miss Dawn Melvin
Mrs Gill Payne	Mr Lee Hensley
Mr Terry Haines	Mrs Angela Conder (appointed 23.07.2021)
Mrs Christine Harber	Miss Pam Tracey
Mr Stephen Heath (Vice Chairman)	Mr Martyn White
Mr Graham Howell	Mr Colin Youngson
Mr Graham Limbrick	Dr Ian Donald
Mr Graham Locke	Dr Jan Lugg
Mr Stephen Ayland	Mr Brian Large (retired 23.07.2021)
Mrs Jackie Matthews	

The day to day running of the Trust affairs is managed by the Chief Executive, Mrs Kathryn Lewis.

Hazlewoods LLP provides audit services and related advice to the Trustees.

Tayntons Solicitors and Ladders Solicitors provide legal services and related advice to the Trustees.

NatWest Bank Plc provides financial services to the Trustees.

Investec Wealth & Investment provide investment services to the Trustees.

Brewin Dolphin provide investment services to the Trustees for the Gloucester District Nursing Charity funds.

Custodian Trustee – The Official Custodian

McCartneys LLP act as Land Agents for the Trust.

Structure, Governance and Management

The Charity is an unincorporated Charity (registration number 205177) with an unincorporated body of Trustees. The governing document of the Charity is The Scheme dated 4 April 1997 as amended by Scheme dated 16 December 1997 and Scheme dated 30 April 2001 registered with the Charity Commission. The Charity is a registered charity, an Almshouse charity, and a Registered Provider (RP). The Charity is registered with the Regulator of Social Housing, the Care Quality Commission (CQC) and is a member of the Almshouse Association.

The body of Trustees, when complete, consists of 18 Trustees of which nine are nominated Trustees and nine co-optative Trustees. The co-optative Trustees are individuals who through residence, occupation, or employment in or near the City of Gloucester have a specialist knowledge or interest in the work of the Charity. Of the nominated Trustees seven should be appointed by the Council of the City of Gloucester and two by the Committee of the Freeman of the City of Gloucester. The Trust has a Trustee Recruitment and Selection Policy and a separate Trustee Induction Policy which are reviewed every two years. Trustees are provided with an information pack upon joining the Trust which contains the most recent audited financial statements, the latest management account information, minutes of the two most recent General Meetings, a short history of the Trust, the Trust Schemes, and a copy of Charities Commission booklet CC3 – The Essential Trustee What you need to know, and a list of the year's forthcoming meetings. In addition, they are also issued with any policies with which they need to comply, the Code of Governance and the Terms of Reference of the various sub-committees.

Trustees can be co-opted by existing Trustees if they have the relevant skills, knowledge and background that enable them to meet an existing skills gap on the Board of Trustees.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

During 2020/2021 The Board of Trustees met bi-monthly to carry out the business of the Charity. Due to the covid-19 restrictions, most of our Board meetings were held virtually using Microsoft Teams. GCT's Board has several sub-committees, Audit and Governance, Finance and Property and Welfare (Staff and Residents) which comprise of Trustees with a specialist knowledge or skill in a particularly relevant area. These committees meet approximately 4-6 times per year and take forward recommendations to the main meetings of the full Trustee Board. Employees of the Charity report to the main Board of Trustees at the bi-monthly meetings or through a monthly information pack and may refer recommendations for the consideration and approval of all Trustees.

The day to day running of the Trust is delegated to the Chief Executive supported by a Senior Management Team.

The Trust also operates an Advisory Committee which consists of the Chair, Vice Chair and one other Trustee to which the Chief Executive can refer should a decision need to be made urgently.

The Trustees are required under charity legislation and Homes England to prepare financial statements that give a true and fair view of the charity's performance during and at the end of the financial year.

Public Benefit

The Trust's main charitable aim is to provide good quality, affordable accommodation for older people from the County of Gloucestershire to meet the variety of needs which this client group presents. The Trust owns and manages 137 sheltered housing flats at four locations within Gloucester, both Guild House Residential Home and Magdalen House Nursing Home as well as the Kimbrose Club. The Trust therefore operates a circle of care which supports individuals living independently right through to those requiring Nursing care. The accommodation and care provided by the flats and Homes is open to the community of Gloucestershire subject to meeting the Trust's admission criteria. In addition, the Trust also offers a dedicated day care facility, The Kimbrose Club. The Club is open to older people (residents and non-residents) living with dementia, memory loss or depression and anxiety.

The Club is intended to accommodate those who live independently and have no personal care requirements. It is a lively, vibrant place where friendships are made, good food eaten and where there is the opportunity to discover new things to do. Sadly, the Club had to change the way in which we supported our members in the year so that we adhered to covid-19 guidance. This meant we were unable to support more than 15 members at any one time and had to maintain social distance etc. As in the previous year there was a period where we had to close (January and February 2021), however we reopened successfully and have remained open since March 2021.

The above meets the public benefit criteria and falls within the Charities Act 2006 charitable purpose defined as "relief of those in need by reasons of youth, age, ill-health, disability, financial hardship or other disadvantage". All the Trust's charitable activities focus on directly improving the lives of older people by providing a range of housing and care options. The Trust's Relief in Need activities also clearly meet the public benefit criteria and are available to non-residents, of any age, subject to the requirements of the governing document.

In the furtherance of these aims the Board, as the Charity Trustees, have complied with the duty in s.4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

The Trust awarded grants to the value of £83,956 to individuals in the year via the Relief in Need and Gloucester District Nursing Charity schemes. There has been a steady number of applications during the year which is still indicative of the very difficult circumstances so many individuals have found themselves in. We have continued to follow a swifter grant approval process which was approved by the Board and set up in 2020 to ensure we were able to provide immediate support wherever possible.

Review of achievements and performance for the year

It must be noted that due to the coronavirus pandemic we had to continue to make significant changes to the way in which we conducted our operational activities in the year; there were numerous difficulties to overcome and some of our planned projects had to be placed on hold. We had the huge task of implementing strict covid testing regimes throughout our operations followed by the legal requirement that all staff in our sector had to be double vaccinated by 1st November 2021. We have found new ways of working to deal with the ongoing coronavirus situation and have been innovative and flexible in our approaches but have had to lockdown our Homes on several occasions due to having 2 or more staff / residents test positive for covid. This has prevented us from achieving anything like full occupancy as we have not been able to accept new residents when we have been closed.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

It is fair to say that this year has been another very challenging one, and we are so grateful and appreciative to our dedicated staff team who have worked so hard throughout to ensure our residents have been well looked after and supported. It is a sad fact that there are staff vacancies in both our Homes, which is something that we have not had much experience of in previous years, and recruitment and retention of staff is at its most difficult. The Health & Social Care sector has lost its appeal, partly due to the appalling publicity received during the pandemic and partly as staff are leaving due to physical and mental exhaustion; some want a job where they can simply switch off at the end of each day. We cannot match the pay and conditions of staff in the NHS so we are doing all we can to promote our positive workplace culture and focusing on staff wellbeing.

We had significant changes to our management teams in our regulated services during the year with the retirement of one Registered Manager and the resignation of another. This caused some problems for a while which meant our Head of Operations and Compliance became the Registered Manager in both services whilst recruitment and subsequent probation / interim periods are satisfied.

Items brought forward from 2019/2020 – progress report

1. Secure planning permission to develop our Hewmar House site and build an enhanced sheltered housing scheme – Outcome: *Planning permission on this development was eventually secured in December 2021. The Trust is now looking to sell the site as a development opportunity.*
2. Create an additional flat at St Marks by making use of an under-utilised lounge and kitchen. Outcome: *This has been placed on hold due to other projects being prioritised.*
3. Create a contemporary open plan lounge / dining / kitchen room at St Marks in the downstairs communal area. Outcome: *This has been placed on hold due to the reasons listed in 2 above.*
4. Replace the care call system at all remaining Almshouse sites – Outcome: *We have installed new call systems at all our sheltered sites.*
5. Continue our programme of upgrading lighting to LED throughout the Trust – Outcome: *Ongoing as and when rooms and flats are vacated.*
6. Carry out various resurfacing projects throughout the Trust – Outcome: *Completed.*
7. Close monitoring of Brexit and the impact it may have on our ability to operate our services. Outcome: *Although Brexit has happened, the impact of this is hard to assess and will be ongoing.*

Planned works 2020/2021 – progress report

In addition to our extensive programme of planned and preventative maintenance and cyclical maintenance, we managed to complete / progress the following capital expenditure works in 2020/2021:

1. 8 flat extension block to Brunswick Road – not progressed. Detailed feasibility study required to ascertain viability of project.
2. Replacement of both lifts at St Bartholomews – completed.
3. Installation of updated care-call systems at St Margarets, St Marks & St Philips – completed.
4. Remodelling of 2 bedsits at St Margarets and creation of an additional flat using existing facilities – planning pre-app discussions were not favourable. Project not proceeding.
5. Install a new master suite locking system for the Almshouses – completed.
6. Continue our programme of refurbishment and upgrading of all our accommodation – ongoing.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Performance Review

As previously mentioned, this year has been another extremely challenging one. We have, however, strived to ensure we have provided the highest standards of care and support for our residents with an emphasis on their overall wellbeing. This has included the provision of additional staff hours to provide more in-house social activities and resident engagement as there has been little opportunity to go out on trips or have outside entertainment and events involving relatives and other visitors. We have ensured our residents who live independently have been well supported through our welfare calls, meal delivery services and the in-house shopping service we developed to ensure all our residents had access to food, at reasonable prices, delivered free to their doors. All these initiatives continued for part of the year after which restrictions were relaxed. This was extremely well received by those residents as was the regular "treats" we organised such as cream teas, fish and chips etc.

The Trust had more vacant flats and lower occupancy in our sheltered accommodation during the year than previously experienced, which was largely attributed to us not offering accommodation for several months and only visiting sites to carry out essential works. This meant a delay in carrying out works in flats requiring refurbishment.

We also experienced significantly higher than budgeted voids in our Nursing Home, Magdalen House and in our Residential Home, Guild House which was mainly due to our no admissions policy and a decision made to ensure staff resources were not being unduly stretched. Magdalen House was still able to offer occasional respite care when it was safe to do so in accordance with our strict covid-19 prevention measures.

The promotion of the circle of care offered by the Trust continues to be a key feature of our service. We are always looking at ways in which to add more into our Circle of Care and our much-anticipated social enterprise project at The York, now known as No.76, is certainly going to enhance it further. We are planning an opening event in March 2022, and we are very excited at the potential impact this venture may have in our local community.

We were very appreciative of the Grants which we received from Gloucestershire County Council; these have helped us support our staff team, enhance resident engagement, and facilitate safe visits for relatives throughout the pandemic to date

Recruitment and retention have been exceptionally difficult in Guild House and Magdalen House during the year; however, we have managed to maintain a core staff team. We have, regrettably had to rely upon Agency staff to maintain safe staffing levels and negotiated some fixed term contracts so that we had the same staff work for us which means we have been able to provide continuity of care and support to all our residents, which is of vital importance to us. As always, the staff team have done a wonderful job in caring for and meeting the needs of our residents and members and we are extremely appreciative of the dedication and commitment they continue to give under the most difficult of circumstances.

Magdalen House Team are still to complete the Gold Standard Framework training for end-of-life care as the training programme has been considerably disrupted by the Covid-19 pandemic. We are utilising the learning gained to date to ensure we offer the very best standards of end-of-life care.

We have made use of the opportunity where there have been vacant rooms at Guild House and Magdalen House to refurbish them to include new flooring, LED lighting upgrades and complete redecoration so they are ready to be occupied when a new resident wishes to move in.

To ensure the retention of our key staff the Trust is continually looking to increase our range of well-being initiatives to implement. Our Trust Wellbeing Lead publishes monthly Wellbeing Newsletters which contain a host of tips and advice for staff to follow and often contain a small gift for staff as a token of our appreciation. Our staff will benefit from discounted prices at No.76 and we are looking at other ways in which we can improve their conditions of employment too.

Our Kimbrose Club has had a very difficult year due to having to close in January and February 2021. We were able to reopen in March 2021 after an extensive range of risk assessments was completed and criteria were met. We are delighted to have remained open since. Our staff have done an excellent job in making the Club stimulating and enjoyable for our members whilst adhering to the numerous restrictions imposed.

We have not progressed our programme of brand awareness of the Trust promoting GCT as there have been other far greater priorities needing to be addressed. We have continued to develop and improve upon the range of qualitative and quantitative information provided to our Trustees to assist them in the governance decisions and to provide them with assurances that the Trust is being well managed.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

In financial terms the Trust has not had a particularly successful year in overall terms of the operational activities however the performance of its investments has been better than in the previous year. We have completed our Value for Money (VFM) metrics for inclusion in the accounts as we are now required to do and there are no concerns noted when comparing them to the previous year.

We have had our investment properties valued and for most of them this has resulted in a significant increase in the value of our assets. It is the intention of the Trust to continue to review the use of its non-core assets in line with our strategic plan and we have a Strategy Day planned in June 2022 to develop this further.

We managed to hold a full Board Strategy Day which was extremely useful and helped us focus on the priorities for the next 12 months and beyond. One of the main decisions to come out of the day was the decision to consider the sale of non-core assets to release funds for operational projects and service development.

Staff training has, again, focused largely upon e-learning as we were unable to conduct face to face training or attend external training courses etc. We were not able to progress fully with the implementation of our Positive Workplace Culture training in 2020/2021 so this is now being reviewed by our Head of Operations and Compliance and Staff Relations Manager who will be instrumental in developing, implementing, and embedding the agreed culture strategy during 2021/2022.

The Trust conducted several key reviews throughout the year including the review of its Risk Summary and the corresponding action plans to mitigate risks in certain areas. The Strategic Plan has been reviewed and further updated particularly considering the events of the year. The Head of Operations and Compliance will work with the operational Managers to create detailed individual business plans to dovetail with the overarching GCT plan.

In terms of its non-core assets, the Trust has continued to work closely with our Land Agent to support the Tenants to make improvements to the farms they occupy. We entered another Lease with Hartpury College at Okle Clifford Farm which gives both parties security for the next 10 years.

Future Plans

We are intending to do the following this year, in addition to some of the items we were not able to progress previously:

- We plan to further develop, implement, and embed our well-being initiatives for staff and appoint Wellbeing Champions to support our work on further developing a positive workplace culture.
- There will be considerable work carried out to ensure our quality and audit systems are effective and provide assurances to the Board of Trustees that the management of the organisation is being competently and efficiently carried out with an updated suite of management information tools. We have further refined the suite of information provided to the Board so that it consists of essential qualitative and quantitative information for them to meet their governance obligations effectively.
- Our Head of Operations and Compliance will be instrumental in the major review and revision of our QA and Audit systems throughout the organisation.
- We will be conducting reviews into our training programmes to ensure they enable us to equip staff with the necessary skills and knowledge to meet our residents care and support needs.
- We will carry out further work on developing and implementing detailed business plans for each of our areas of operation which align with the overall strategic plans of the Trust

Risks

The Trustees have considered the financial and operational risks to which the Trust is potentially exposed and have introduced policies and management structures to mitigate them. The biggest risk to us is the ongoing impact of covid-19 coupled with trying to overcome the difficult in recruiting and retaining high calibre staff. All our care home residents have received both covid-19 vaccinations and their boosters. Our staff are all double vaccinated as required to work in Social Care.

Our financial controls are designed to minimise the risk of fraud or other losses and are regularly reviewed and updated. The Trust has appropriate insurance coverage for the activities in which it is involved. The Trust's reserves policy allows the Trust to continue operating for several years with a trading deficit if the Trustees decide this is warranted. This is particularly the case in the creation of new services which will take several years to break even. Risk management is embedded in all areas of the Trust's operations as a key activity that is to be continually reviewed and assessed.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

The Trust has a detailed Key Risk Summary which is regularly updated by the CEO in conjunction with the relevant sub-committee and reviewed by the Audit & Governance Committee on a six-monthly basis as well as by each individual committee where they review the risks specifically associated with the remit of that committee.

Investment policy and objectives

The investment policy provides for a broad-based portfolio of both financial and property investments to provide income for the Relief-in-Need branches, and security of endowed capital. This is particularly relevant when Trustees are looking at the potential cost of the major development projects which they have commissioned. The importance of keeping the reserves at a level which is sufficient to fund the future upkeep and development of Trust properties continues to be a major consideration for Trustees. The Trust also aims to maximise the income on temporarily invested restricted funds.

The Charity Commission Scheme dated 4 April 1997 empowers the Trustees to make such arrangements as they think fit for any investments of the Charity to be held by a corporate body which is incorporated in England and Wales as the Trustees' nominee. We will continue to work in the coming year with our investment managers Investec Wealth & Investment and Brewin Dolphin.

Clear investment direction is provided to the Investment Managers at the annual review meeting; however, the Trustees have not felt it necessary or appropriate to give specific instructions regarding the extent that social, environmental, or ethical considerations are taken into account, in relation to the retention and realisation of investments.

The Trust reviewed its Investment Management options during 2017 and decided not to make any changes at that time. It is likely that the Investment Management options will be considered again in 2022.

Reserves policy

Under the Housing SORP 2014 designated funds are no longer permitted and must revert to normal unrestricted reserves. The unrestricted reserves of the Trust therefore include those previously designated as either Cyclical Maintenance Fund (CMF) or Extraordinary Repair Fund (ERF) reserves.

The Trustees are satisfied that the reserves held are commensurate with the scale of operations. Most of the Trust's fixed assets are held either in our housing or investment properties therefore the level of reserves is commensurate with the contingency required to ensure the ongoing business of the Trust. Details of the levels of reserves at the year end, and the policies attached to each reserve, can be found in notes 14 to 16 of these financial statements.

Key Value of Money Metrics

In April 2018 the Regulator of Social Housing has introduced a requirement of small registered social housing landlords to include their Value for Money (VFM) metrics in their annual financial statements.

Below are the seven metrics for the Trust. Figures are in Pounds Sterling.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Metric 1 – Reinvestment %

This metric looks at the investment in properties as a percentage of the value of the total properties held (THP – Total Housing Properties). The reinvestment activities include development and/or acquisition of new properties and major maintenance works carried out in our existing properties (i.e. central heating upgrades, new kitchens and bathrooms installations etc).

	2020/21	2019/20
Development of New Properties (THP)		
Newly build properties acquired (THP)		
Works to Existing (THP)	384,119	108,339
Divided by:		
Housing Properties at net book value	2,625,653	2,321,053
Outcome	15%	5%

Metric 2 – New Supply Delivered %

The New Supply metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at 30 September 2021.

	2020/21	2019/20
a. Social Housing Units		
Total Social Housing Units Developed or Newly Built Units Acquired In-Year	0	0
Divided by Total Social Housing Units (inc. Shared Ownership)	137	137
Outcome	0%	0%
b. Non-Social Housing Units		
Total Non-Social Units Developed or Newly Built Units Acquired In-Year (Owned). (Total non-social rental housing units owned, non-social leasehold units owned, new outright sale units developed or acquired).		
Divided by Total and Non-Social Housing Units Owned (Period End). (Total social housing units owned, total non-social rental housing units owned, social leasehold units owned, non-social leasehold units owned (Period end))	0	0
Outcome	0%	0%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Metric 3 – Gearing %

This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance.

	2020/21	2019/20
Total of:		
Short-Term Loans	4,037	3,618
Long-Term Loans	379,147	383,184
Less Cash and Cash Equivalents	(1,579,509)	(1,636,789)
Amounts Owed to Group Undertakings		
Finance Lease Obligations		
Divided by:		
Housing Properties at net book value	2,625,753	2,321,050
Outcome	-46%	-54%

Metric 4 – Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %

The EBITDA MRI interest cover measure is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates compared to interest payable.

	2020/21	2019/20
Operating Surplus / (Deficit) (Overall)	311,749	298,834
Less Gain / (loss) on disposal of fixed assets (housing properties)		
Less Amortised Government grant		
Plus Interest receivable		
Less Capitalised major repairs expenditure for period	(384,119)	(108,339)
Plus Total depreciation charge for period	147,803	141,259
Divided by:		
Interest Capitalised		
Plus Interest payable and financing costs	42,735	43,110
Outcome	177%	770%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Metric 5 – Headline Social Housing Cost Per Unit

	2020/21	2019/20
Total of:		
Management Costs	72,911	77,308
Service Charge Costs	157,565	151,425
Routine Maintenance Costs	98,189	100,551
Planned Maintenance Costs	53,557	26,762
Major Repairs Expenditure		
Capitalised Major Repairs Expenditure for Period	384,119	108,339
Other Social Housing Letting Costs	520,020	557,149
Community Services	9,983	643
Other Social Housing Activities		
Divided by:		
Total Social Housing Units Owned and Managed at the Period End	137	137
Outcome	9,462	7,461

Metric 6 – Operating Margin %

The Operating margin demonstrates the profitability of operating assets before exceptional expenses are considered.

The Association's operating margin shows that the organization uses its resources efficiently. The social housing lettings excludes the social housing grant amortization.

	2020/21	2019/20
a. Social Housing Lettings	25%	25%
b. Overall	3%	6%

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Metric 7 – Return on Capital Employed (ROCE) %

This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources. The ROCE metric would support registered providers with a wide range of capital investment programmes.

	2020/21	2019/20
Operating Surplus / (Deficit) inc. Gain / (Loss) on Disposal of Fixed Assets (Housing Properties)	156,963	261,977
Share of Operating Surplus / (deficit) in Joint Ventures/Associates		
Divided by:		
Total Assets less Current Liabilities	23,809,669	20,991,744
Outcome	1%	1%

Commentary

We are conscious of our obligations to provide value for money in the services we provide, as evidenced in the metrics included in these financial statements. The metrics above are applicable to the Almshouse activities of the charity, and therefore the information provided relates solely to the Almshouses where relevant.

The Almshouses are just one part, albeit a very important one, of the overall care activities of the charity. Unlike most providers of social housing, the charity derives most of its income from other activities. As a result, it is difficult to benchmark the metrics as the activities of the charity are relatively unique. The trustees do, however, consider the metrics to be within their expectations and show a very positive outlook for the Almshouse activities and the charity as a whole.

**THE GLOUCESTER CHARITIES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Registered Social Housing Legislation and the Charities Act 1993 require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Charity's affairs and of its income and expenditure for the period. In preparing those financial statements, the Trustees are required to: -

- 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 financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Scheme of the Charity Commissioners dated 4 April 1997 by which the Charity was constituted, Section 1 to the Housing Act 2006, Regulation 4 of the Charities Accounts and Reports Regulations 1995, the Statement of Recommended Practice – Accounting by Registered Social Landlords and the Accounting Requirements for Registered Social Landlords General Determination 2006. They are also responsible for taking reasonable steps to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

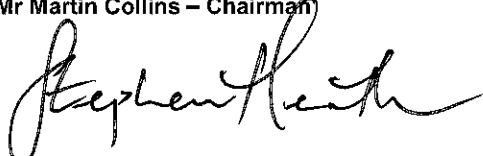
Auditors

Hazlewoods acted as auditors during the year.

Approved and authorised for issue by the Trustees on 30/03/2022



Mr Martin Collins – Chairman



Mr Steve Heath – Vice Chairman

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

Opinion

We have audited the financial statements of The Gloucester Charities Trust for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. 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).

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2021 and of its incoming resources and application of resources, including its income and expenditure, 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. 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.

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

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

Opinion on other matters prescribed by the Charities Act 2011

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

- the information given in the Report of the Trustees for the financial period for which the financial statements are prepared is consistent with the financial statements.
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all of the information and explanations we require for our audit.

Respective responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**THE GLOUCESTER CHARITIES TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 154 of the Charities Act 2011. Our 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.

Martin Howard

Martin Howard (Senior Statutory Auditor)

Date: 30/3/2022

**For and on behalf of Hazlewoods LLP
Statutory Auditors**

Windsor House
Bayshill Road
Cheltenham
Gloucestershire
GL50 3AT

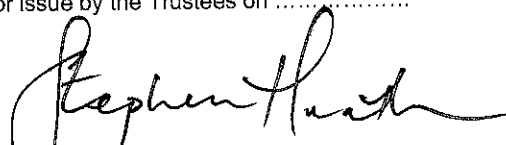
**THE GLOUCESTER CHARITIES TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Note	2021 £	2020 £
TURNOVER	2	4,420,290	4,413,718
COVID income		154,468	159,772
Operating costs	2	<u>(4,417,795)</u>	<u>(4,311,513)</u>
OPERATING SURPLUS	2	156,963	261,977
Surplus / (deficit) on disposal of tangible fixed assets		9,973	(7,376)
Surplus / (deficit) on disposal of fixed asset investments		<u>65,318</u>	<u>(175,981)</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE INVESTMENT INCOME AND INTEREST		232,254	78,620
Interest receivable and other income	6	144,483	148,434
Interest payable and similar charges	7	<u>(49,416)</u>	<u>(49,896)</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE CHANGES IN MARKET VALUE OF INVESTMENTS		327,321	177,158
Movement in fair value of investments		<u>745,138</u>	<u>(119,488)</u>
SURPLUS FOR THE YEAR		1,072,459	57,670
Unrealised surplus on revaluation of investment property		1,772,702	888,858
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>2,845,161</u>	<u>946,528</u>

These financial statements were approved and authorised for issue by the Trustees on 30/03/2022



Mr Martin Collins
Chairman of Trustees
The Gloucester Charities Trust



Mr Steve Heath
Vice Chairman of Trustees
The Gloucester Charities Trust

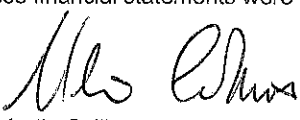
The Trust's results relate wholly to continuing activities.

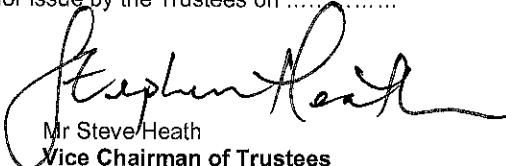
The notes on pages 22 to 35 form part of these financial statements.

**THE GLOUCESTER CHARITIES TRUST
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Note	2021	2020
FIXED ASSETS			
Housing properties		2,625,755	2,321,050
Extra care facilities		3,206,473	3,274,552
Investment properties		10,229,167	8,323,564
Other assets		<u>390,358</u>	<u>483,015</u>
Tangible fixed assets	8	16,451,753	14,402,181
Investments	9	<u>6,071,856</u>	<u>5,234,967</u>
		22,523,609	19,637,148
CURRENT ASSETS			
Debtors	10	153,131	136,732
Cash at bank and in hand		<u>1,579,509</u>	<u>1,636,789</u>
		1,732,640	1,773,521
CREDITORS: amounts falling due within one year	11	<u>(446,999)</u>	<u>(418,925)</u>
NET CURRENT ASSETS		<u>1,280,870</u>	<u>1,354,596</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>23,809,250</u>	<u>20,991,744</u>
CREDITORS: amounts falling due after more than one year	12	<u>1,885,093</u>	<u>1,912,748</u>
FINANCING AND RESERVES			
Restricted reserves	14	1,188,944	1,154,549
Unrestricted funds	16	18,546,090	15,871,498
Endowment funds	15	<u>2,189,123</u>	<u>2,052,949</u>
		<u>21,924,157</u>	<u>19,078,996</u>
		<u>23,809,250</u>	<u>20,991,744</u>

These financial statements were approved and authorised for issue by the Trustees on 30/03/2022


Mr Martin Collins
Chairman of Trustees
The Gloucester Charities Trust


Mr Steve Heath
Vice Chairman of Trustees
The Gloucester Charities Trust

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2021	Restricted Reserves £	Unrestricted Funds £	Endowment Funds £	Total £
Balance at 1 October 2020	1,154,549	15,871,498	2,052,949	19,078,996
Total comprehensive income	34,395	2,674,592	136,174	2,845,161
Balance at 30 September 2021	1,188,944	18,546,090	2,189,123	21,924,157

2020	Restricted Reserves £	Unrestricted Funds £	Endowment Funds £	Total £
Balance at 1 October 2019	1,090,321	14,930,068	2,112,079	18,132,468
Total comprehensive income	64,228	941,430	(59,130)	946,528
Balance at 30 September 2020	1,154,549	15,871,498	2,052,949	19,078,996

THE GLOUCESTER CHARITIES TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021	2020 £
Net cash generated from operating activities (note i)	490,216	689,539
Cash flow from investing activities		
Purchase of investment securities	(708,115)	(1,043,760)
Sale and maturity of investment securities	681,682	1,044,979
Purchase of tangible fixed assets	(628,397)	(2,005,330)
Sales proceeds from disposal of tangible fixed assets	15,886	400
Interest received	-	5,210
	(638,944)	(1,998,501)
Cash flow from financing activities		
Dividends received	144,483	143,224
Interest paid	(49,416)	(49,896)
Repayment of borrowings	(3,619)	(3,244)
	91,448	90,084
Net change in cash and cash equivalents (note ii)	(57,280)	(1,218,878)
Cash and cash equivalents at beginning of year	1,636,789	2,855,667
Cash and cash equivalents at end of year	1,579,509	1,636,789

	2021 £	2020 £
i) ANALYSIS OF CASH FLOWS		
Cash flow from operating activities		
Surplus for the year before revaluation of investments	327,321	177,158
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	345,610	332,999
(Increase) / Decrease in debtors	(20,152)	29,640
Increase in creditors	31,414	88,542
Surplus/ (deficit) on sale of tangible fixed assets	(9,973)	7,376
Surplus / (deficit) on sale of fixed asset investments	(65,318)	175,981
Adjustments for investing or financing activities:		
Government grants utilised in the year	(23,619)	(23,619)
Interest payable	49,416	49,896
Interest received	-	(5,210)
Dividends received	(144,483)	(143,224)
Net cash generated from operating activities	490,216	689,539

The notes on pages 22 to 35 form part of these financial statements.

THE GLOUCESTER CHARITIES TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

ii) ANALYSIS OF NET DEBT

	At 1 October 2020 £	Cash flow £	Non-cash movement £	Total 2021 £
Cash at bank and in hand	1,636,789	(57,280)	-	1,579,509
Debt due within one year	(3,618)	3,618	(3,618)	(3,618)
Debt due in more than one year	(383,184)	-	3,618	(379,566)
Net debt	1,249,987	(53,662)	-	1,196,325

**THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

1 ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom including Financial Reporting Standard (FRS 102) and the Housing SORP 2014; Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2019.

Basis of accounting

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, rounded to the nearest pound, being the functional currency of the primary economic environment in which the Trust operates.

Turnover

Turnover represents weekly maintenance contributions, nursing home fees, residential home fees and commercial rent-receivable.

Going concern

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation, with the exception of investment properties which are shown at open market value. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following rates per annum:

Freehold housing properties	See below
Refurbishments	5%-12.5%
Office fixtures and fittings	20%
Motor vehicles	25%
Nursing Home and Day Centre fixed equipment	10%-20%

1 ACCOUNTING POLICIES (continued)

Housing properties

The Trust accounts for its expenditure on housing properties using component accounting. Under component accounting, in addition to the structure, the housing property is divided into those major components which are considered to have substantially different useful economic lives as follows:

Main Fabric	100 years
Roof	50 years
Windows and doors	20 years
Bathrooms	10 years
Electrics	20 years
Lifts	20 years
Heating	15 years
Kitchens	10 years

As required by FRS 102, the Trust has reviewed the useful economic lives of its housing properties and depreciates the property accordingly.

The Trust capitalises work to existing properties which results in an increase in the net rental income, including a reduction in maintenance costs, or results in significant extension to the useful economic life of the property.

Where property components with a separate identifiable life are replaced, the new components are capitalised with new life and the old components, if any, are written off.

Housing properties in the course of construction are stated at cost and are not depreciated.

Social Housing Grant and Other Capital Grants

Where developments have been financed wholly or partly by Social Housing Grant "SHG" (formerly "HAG"), the grants are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

SHG and HAG is repayable under certain circumstances, primarily following sale of a property but will normally be restricted to proceeds of sale, if this is lower than the initial grant received.

Government Grant

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants relating to revenue are recognised in income over the period in which the related costs are recognised.

Capitalisation of interest

Interest on mortgage loans financing new developments is capitalised up to the date of practical completion of the scheme.

Leased assets

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Investments

Investments are stated at market value and are in accordance with the valuation reports received from the Investment Managers.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 ACCOUNTING POLICIES (continued)

Trade debtors

Trade debtors are amounts due from customers for the rental of Housing properties.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Trade Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Taxation

The Trust is of charitable status and therefore exempt from taxation. Irrecoverable VAT on expenditure is included as part of the cost of the item of expenditure to which the VAT relates.

Pension costs

The Charity operates a defined contribution pension scheme. Contributions are charged to the income and expenditure accounts as they become payable in accordance with the rules of the scheme.

Legacy income

Legacy income is recognised in the income and expenditure account on a receivable basis.

Restricted reserves

These are detailed in note 14 to the financial statements.

Endowment Funds

These are detailed in note 15 to the financial statements.

Financial instruments

The trust only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other receivables and payables, and investments in non-puttable ordinary shares.

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets or financial liabilities.

Debt instruments like loans and other receivables and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Investments in non-puttable ordinary shares are measured at cost less impairment for all other investments.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying value and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the trust would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount recognised in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

At each reporting date non-financial assets not carried at fair value, such as property, plant and equipment are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less costs to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in the reported surplus or deficit.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2 PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

2021	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£	£	£
Social housing lettings (see note 3)	1,230,188	(936,439)	293,749
Grant income	22,583	-	22,583
Activities other than social housing			
Investment property lettings	226,038	-	226,038
Charitable giving	-	(83,956)	(83,956)
Administration costs	-	(224,131)	(224,131)
Kimbrose Club	119,335	(196,370)	(77,035)
Extra-care facility	2,824,545	(2,976,899)	(152,354)
Other income	152,069	-	152,069
Total	4,574,758	(4,417,795)	156,963
2020	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£	£	£
Social housing lettings (see note 3)	1,217,259	(918,425)	298,834
Grant income	23,619	-	23,619
Activities other than social housing			
Investment property lettings	156,804	(4,120)	152,684
Charitable giving	-	(88,169)	(88,169)
Administration costs	-	(173,078)	(173,078)
Kimbrose Club	168,716	(265,878)	(97,162)
Extra-care facility	2,861,187	(2,861,843)	(656)
Other income	145,905	-	145,905
Total	4,573,490	(4,311,513)	261,977

All income is generated within the United Kingdom.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

3 PARTICULARS OF TURNOVER AND OPERATING EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	Supported housing (including housing for older people)	
	2021	2020
	£	£
Income		
Rent receivable net of identifiable service charges	640,236	635,631
Service charge income	551,667	555,855
Amortised government grants	-	-
Government grants taken to income	12,753	13,867
Other grants	25,532	11,906
Turnover from social housing lettings	1,230,188	1,217,259
Operating expenditure		
Management	72,911	71,744
Service charge costs	554,564	573,521
Routine maintenance	38,255	47,483
Planned maintenance	113,491	79,832
Bad debts	3,201	1,266
Depreciation of housing properties	147,803	141,259
Other costs	6,214	3,320
Operating expenditure on social housing lettings	936,439	918,425
Operating surplus on social housing Lettings	293,749	298,834
Void losses	51,885	46,571

During the year ended 30 September 2021, the Charity owned 137 units of social housing accommodation under its own management (2020 - 137).

The average weekly maintenance contribution on social housing accommodation was £92.57 (2020 - £84.61).

There were no general needs housing or other categories for the social housing lettings.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

4 EMPLOYEES

	2021	2020
Average number of employees expressed in full time equivalents	<u>121</u>	<u>130</u>
Employees costs during the year		
Wages and salaries	2,552,360	2,526,501
Social security costs	175,273	169,221
Other pension costs	<u>60,080</u>	<u>60,569</u>
	<u>2,787,713</u>	<u>2,756,291</u>
Emoluments to Chief Executive Officer	<u>99,824</u>	<u>104,553</u>

The CEO is an ordinary member of the Trust Group Personal Pension Scheme and there are no special terms applied. The contribution made by the Trust is 8% of gross salary; CEO pays 3% individual contribution, which is the same as all other members of the Pension Scheme. The CEO has no other personal pension agreement to which the Trust makes a contribution.

The above represents the emoluments of the highest paid officer. The Trustees, who constitute the managing body of the trust, received no remuneration therefrom. No employees of the trust were paid between £100,000 and £110,000 in the year and one paid between £90,000 and £100,000 (2020 – One paid between £100,000 and £110,000, nil paid between £90,000 and £100,000).

The Trust has no officers other than the Trustees and the Chief Executive.

5 AUDITOR'S REMUNERATION

	2021 £	2020 £
Remuneration payable to the auditor including Value Added		
Tax was as follows:		
For audit services	<u>10,200</u>	<u>10,200</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

6 INTEREST RECEIVABLE AND OTHER INCOME

	2021 £	2020 £
Investment income		
Dividend income	144,483	143,224
Interest	-	5,210
	<u>144,483</u>	<u>148,434</u>

7 INTEREST PAYABLE

	2021 £	2020 £
Interest payable and similar charges		
Housing corporation loans (see note 13)	42,735	43,110
Bank charges payable	6,681	6,786
	<u>49,416</u>	<u>49,896</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

8	TANGIBLE FIXED ASSETS	Housing properties £	Extra-care facility and head office £	Investment properties £	Fixtures and fittings £	Motor vehicles £	Total £
	Cost or valuation						
	At 1 October 2020	4,052,668	5,150,357	8,323,564	2,483,700	125,506	20,135,795
	Additions	384,119	36,193	132,901	75,184	-	628,397
	Revaluation	-	-	1,772,702	-	-	1,772,702
	Disposals	(32,240)	-	-	-	(53,769)	(86,009)
	At 30 September 2021	4,404,547	5,186,550	10,229,167	2,558,884	71,737	22,450,885
	Depreciation						
	At 1 October 2020	1,731,618	1,875,805	-	2,027,162	99,029	5,733,614
	Charge for the year	73,302	104,272	-	157,154	10,882	345,610
	Disposals	(26,128)	-	-	-	(53,964)	(80,092)
	At 30 September 2021	1,778,792	1,980,077	-	2,184,316	55,947	5,999,132
	NET BOOK VALUE						
	At 30 September 2021	2,625,755	3,206,473	10,229,167	374,568	15,790	16,451,753
	At 30 September 2020	2,321,050	3,274,552	8,323,564	456,538	26,477	14,402,181

The extra-care facility is a freehold nursing home, a day care centre and a residential home. All other properties above are also freehold. The investment properties are commercially let. Certain investment properties were revalued as at 30 September 2021 by the Trustees following consultations with McCartneys LLP, Chartered Surveyors. The historical cost of the investment properties at 30 September 2021 is £5,285,140 (2020 - £3,517,209).

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

9 INVESTMENTS

	Total £
At 1 October 2020	5,234,967
Additions	708,115
Disposals	(616,364)
Change in market value	<u>745,138</u>
At 30 September 2021	<u>6,071,856</u>
Cost:	
30 September 2021	<u>3,970,105</u>
<i>30 September 2020</i>	<u>3,708,696</u>

All investments are quoted.

No individual investment makes up more than 5% of the total investment portfolio.

10 DEBTORS

	2021 £	2020 £
Trade debtors	92,420	71,914
Other debtors and prepayments	60,711	64,818
	<u>153,131</u>	<u>136,732</u>

11 CREDITORS – due within one year

	2021 £	2020 £
Trade creditors	175,266	171,586
Other creditors and accruals	244,077	220,102
Deferred income – Social Housing grants	23,619	23,619
Housing loans (note 13)	<u>4,037</u>	<u>3,618</u>
	<u>446,999</u>	<u>418,925</u>

Creditors include £nil (2020 - £16,924) relating solely to housing activities.

12 CREDITORS – due after more than one year

	2021 £	2020 £
Deferred income – Social Housing grants	1,505,946	1,529,564
Housing loans (note 13)	<u>379,147</u>	<u>383,184</u>
	<u>1,885,093</u>	<u>1,912,748</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

13 HOUSING LOANS

Borrowings included in creditors due within and after more than one year are as follows:

	2021 £	2020 £
Loan secured by mortgage on St Margarets Property repayable by equal annual instalments over 60 years at an interest rate of 14.75%, repayments commenced in 1978	39,686	40,194
Loan secured by mortgage on St Philips Court Property repayable by equal annual instalments over 60 years at an interest rate of 11.37%, repayment commenced in 1983	78,780	79,632
Loan secured by mortgage on St Marks Property repayable by equal annual instalments over 60 years at an interest rate of 10.25%, repayments commenced 1984	73,243	74,035
Loan secured by mortgage on St Bartholomews Property repayable by equal annual instalments over 60 years at an interest rate of 10.5%, repayments commenced 1987	191,475	192,941
Total secured borrowings	<u>383,184</u>	<u>386,802</u>
Loans are repayable as follows:		
Due within one year	Note 11 3,618	3,618
Due after more than one year:		
Between one and two years	4,037	4,037
Between two and five years	16,148	15,146
After more than 5 years	<u>359,381</u>	<u>364,001</u>
	Note 12 <u>379,566</u>	<u>383,184</u>
	Note 11 & 12 <u>383,184</u>	<u>386,802</u>

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

14 RESTRICTED RESERVES

	Relief in Need branch £	Gloucester District Nursing Charity £	Total £
At 1 October 2020	570,320	584,229	1,154,549
Transfer (to) / from profit and loss reserve	9,471	24,776	34,247
Direct expenditure	(37,426)	-	(37,426)
Transfer from revaluation reserve	24,096	13,478	37,574
At 30 September 2021	566,461	622,483	1,188,944

The Relief in Need reserve is made up of the Relief in Need Branch investments and the accumulated surplus of income generated by these investments over Relief in Need expenditure. The reserve may be applied only for the purpose set out in the constitutional scheme of the Charity.

The Gloucester District Nursing Charity reserve is made up of the accumulated surplus of income over expenditure generated by investments.

15 ENDOWMENT FUNDS

	As at 30 September 2021 £	As at 1 October 2020 £
Expendable Endowment		
Gloucester Relief in Sickness Endowment	505,969	438,119
Permanent Endowment		
Gloucester Relief in Sickness Endowment Fund	208,287	179,927
Nurses Welfare Fund	82,144	70,822
Wheeler Rest Home Repair Fund	208,723	180,081
Endowed Land	1,184,000	1,184,000
	2,189,123	2,052,949

Expendable Endowment

An expendable endowment fund is a fund that must be invested to produce income. Depending on the conditions attached to the endowment, the trustees will have a legal power to convert all or part of it into an income fund which can then be spent.

An expendable endowment differs from an income fund in that there is no actual requirement to spend the principal for the purposes of the charity unless or until the trustees decide to. However, income generated from expendable endowment is no different from income generated from permanent endowment and should be spent for the purposes of the charity within a reasonable time of receipt.

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

15 ENDOWMENT FUNDS (continued)

Permanent Endowment

Permanent endowment is property of the charity (including land, buildings, cash or investments) which the trustees may not spend as if it were income.

It must be held permanently, sometimes to be used in furthering the charity's purposes, sometimes to produce an income for the charity. The trustees cannot normally spend permanent endowment without authority.

The terms of the endowment may permit assets within the fund to be sold and reinvested or may provide that some or all of the assets are retained indefinitely.

Purposes of endowment funds

The Gloucester Relief in Sickness Charity (formerly part of the General and Welfare Fund) and the Gloucester Relief in Sickness Endowment Fund (formerly 14 Clarence Street) were established to relieve cases of persons in need in the area of the City of Gloucester and the parishes immediately adjoining thereto who are sick, convalescent, disabled, handicapped or infirm.

The Nurses Welfare Fund (formerly part of the General and Welfare Fund) was established to provide income for the relief of nurses who are in need and who are resident as above and of retired nurses who are in need and were formerly employed by the Gloucester District Nursing Society.

The Wheeler Rest Home Repair Fund combines the permanent endowments known as the Wheeler Legacy and the Wheeler Legacy Maintenance. These endowments were founded by the will of Violet Eva Wheeler and constituted the property 15, Heathville Road, Gloucester, and a capital sum the income of which is used to be used to meet the objects of the Charity. The property was sold during 2000 and the proceeds reinvested.

Endowed land is held to generate investment income.

16 UNRESTRICTED FUNDS

	Investment Revaluation £	Property Revaluation £	Other £	Total 2021 £
As at 1 October	848,296	4,473,231	10,549,971	15,871,498
Surplus for the year	-	-	327,321	327,321
Revaluation of investments	745,138	1,772,702	-	2,517,840
Revaluation reserve on disposals	(167,851)	-	167,851	-
Net transfer to endowed funds	(141,595)	-	5,421	(136,174)
Net transfer to restricted funds	(37,574)	-	3,178	(34,395)
At 30 September	1,246,414	6,245,933	11,053,742	18,546,090

THE GLOUCESTER CHARITIES TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

17 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

The total of future minimum lease payments is as follows:

	2021 £	2020 £
Not later than one year	37,312	40,604
Later than one year and not later than five years	60,135	97,448
	<u>97,447</u>	<u>138,052</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £21,027 (2020 - £8,775).

18 LEGAL STATUS

The Trust is a Registered Charity (number 205177) under the Charities Act 2011 and was constituted by way of a Scheme of the Charity Commissioners dated 4 April 1997. The Trust is also a Registered Social Landlord (number AO215) under section 5 of the Housing Associations Act 1985.

19 UNITING DIRECTION

A Uniting Direction was issued by the charity commission in 2009 for Gloucester District Nursing Charity and the Gloucester Charities Trust. The effect of this Uniting Direction was that the entities are registered under a common registration number and the trustees are required to prepare a single set of financial statements for the amalgamated charity.

20 TAXATION

The trust is a Registered Charity and is exempt from UK taxation on its charitable activities, no taxation therefore arises in respect of income.

21 NON-ADJUSTING EVENTS AFTER THE FINANCIAL PERIOD

Following the year end, a new head office building was purchased for £750,000. £250,000 has been budgeted for refurbishment ahead of the move there (planned for June 2022).

A new sewerage plant has been installed to serve 1 and 2 Mill Cottages. 1 Mill Cottage has been sold subject to contract.

A new heating system has been installed in Guild House, and a new care call system in St Mark's Almshouse.

