

THE GRACEWELL FOSTER TRUST

England & Wales · Charity number 218796

Details

Other names	GRACEWELL HOMES FOSTER TRUST
Status	Registered
Legal form	Other
Registered	1963-06-28
Register	View on the Charity Commission register

Contact

Address	271 Wake Green Road Moseley Birmingham B13 9XL
Phone	01217784015
Email	gracewell.foster@gmail.com
Website	www.gracewell.org.uk

Activities

Objects: THE PROVISION OF ALMSHOUSES FOR SPINSTERS OR WIDOWS OF LIMITED FINANCIAL MEANS AND OF GOOD CHARACTER.

Activities: PROVISION OF SHELTERED HOUSING FOR SINGLE LADIES OVER 55 YEARS OLD WITH LIMITED MEANS

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Accommodation/housing
- **Who:** Elderly/old People

Geography

- **Area of benefit:** BIRMINGHAM
- Birmingham City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-01-31	£444,647	£469,988	-	-
2024-01-31	£414,801	£390,536	-	-
2023-01-31	£365,458	£344,803	-	-
2022-01-31	£367,462	£412,445	-	-
2021-01-31	£346,180	£309,273	-	-

Trustees

Name	Role	Appointed
EDWARD RODGERS	Chair	2009-10-22
Alan George Holland		2023-07-31
DEIDRE ANNE HELEN MATTISON		2008-01-28
Elizabeth Fryer		2021-09-01
Marianka Bowles		2020-02-18
Nina Pozzi		2018-04-16

THE GRACEWELL FOSTER TRUST

England & Wales - Charity number 218796

Accounts

(Registered Charity Number 218796)

THE GRACEWELL FOSTER TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2025

**THOMAS
+ YOUNG**

CHARTERED ACCOUNTANTS + REGISTERED AUDITORS

THE GRACEWELL FOSTER TRUST
YEAR ENDED 31 JANUARY 2025

CONTENTS

	PAGE
Trustees' report	1 - 4
Auditors' report	5 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 17

**THE GRACEWELL FOSTER TRUST
TRUSTEES' REPORT
YEAR ENDED 31 JANUARY 2025**

The Trustees present their report and the audited financial statements of the Trust for the year ended 31 January 2025. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' in preparing the annual report and financial statements of the Trust.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Gracewell Homes Foster Trust ("the Trust") was founded by the Will of Arthur Henry Foster, which was proved on 3 January 1929. The change of name to The Gracewell Foster Trust was registered with the Charity Commissioner on 20 September 2012. The Trust is a registered Trust, no. 218796, and is regulated by a Scheme of the Charity Commissioners sealed on 11 April 1978.

The Trust is affiliated to The Almshouse Association.

TRUSTEES

The Trustees who served during the year and since the year end were as follows:

Miss D Mattison
Mr E Rodgers (Chairman - appointed 30 May 2024)
Mrs N Pozzi
Mrs M Bowles
Ms L Fryer
Mr A Holland

EXECUTIVE OFFICER AND PRINCIPAL OFFICE

The Executive Officer is J Galvin

The principal office is:

271 Wake Green Road
Moseley
Birmingham
B13 9XL

ADVISORS DURING THE PERIOD

Auditors: Thomas and Young Limited
Carlton House
266-268 Stratford Road
Shirley
Solihull
West Midlands
B90 3AD

Bankers: HSBC Bank PLC

**THE GRACEWELL FOSTER TRUST
TRUSTEES' REPORT (continued)
YEAR ENDED 31 JANUARY 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The day-to-day management of the Trust is carried out by a small staff based at its principal office. The Trustees meet at least six times each year when they consider overall strategy, property and investment matters, risk management, finances and all matters relating to the efficient management of the Trust. Various sub-committees, which report to the Trustees, operate to improve the smooth management of the Trust.

Under the terms of the Scheme referred to above, there shall be a maximum of ten trustees all being co-optative. Prior to the appointment of trustees, they are given a full and detailed outline of the Trust, its objectives and its activities, and the policies which are adopted to ensure the sound performance of the Trust.

The principal objective of the Trust is to ensure the well-being and happiness of all the ladies who are accommodated in the Trust's properties.

The Chairman and other Trustees visit the Trust Office regularly to meet with the Executive Officer and the Scheme Managers to ensure that they are aware of the day to day activities of the Trust.

OBJECTIVES AND ACTIVITIES

The object of the Trust is to provide Almshouse accommodation for single ladies who are over the age of 55 years and of limited financial means.

There are 62 self-contained sheltered housing units in total, comprising 16 bungalows and 12 flats in category 1 and 34 flats (Fosters) in category 2.

In setting their objectives, the Trustees have given careful consideration to the Charity Commission's general advice on public benefit.

The Trust employs a full time Warden/Scheme Manager who, with the aid of a deputy part-time Warden/Scheme Manager and one other part-time employee ensures that the needs of the residents are met, and a congenial environment provided. The Trust also employs a part-time Executive Officer. Maintenance of the fabric of the estate and gardens and grounds is undertaken to a high standard by independent contractors. The Trustees consider themselves fortunate in having such a dedicated team in charge of the day-to-day running of the homes and in the quality of the services provided by their contractors.

The Trust is principally resourced by the weekly maintenance contributions from the residents. In order to finance extraordinary repairs, routine maintenance and cyclical maintenance repairs the Trust transfers The Almshouse Association's recommended amounts into designated reserves.

ACHIEVEMENTS AND PERFORMANCE

The Trust maintains a reasonable level of voids, with properties mainly being void during periods of refurbishment or redecoration following a beneficiary leaving her home. It is the policy of the Trustees that, when older properties are vacated, full refurbishment takes place prior to being occupied by a new beneficiary. This naturally takes longer than a simple redecoration. The newer properties are redecorated and undergo a full overhaul prior to re letting. This way the Trust maintains the high quality and high standard of the properties for occupation by its beneficiaries.

The Trust is not involved in fund-raising activities; however, we do apply, from time-to-time, to grant giving charities for assistance with specific projects. Generally, these relate to refurbishment of properties.

The Trustees meet the residents on a regular basis during the year to help satisfy the Trust's objectives of ensuring their needs are met and a congenial environment provided. The Chairman arranges an annual meeting with all the residents to discuss any concerns that they or the Trustees may have.

THE GRACEWELL FOSTER TRUST TRUSTEES' REPORT (continued) YEAR ENDED 31 JANUARY 2025

FINANCIAL REVIEW

The Financial Statements show a deficit for the year, before the revaluation of investments, of £25,341 (2024: surplus £24,265) and the accumulated fund balance at 31 January 2025 was £1,778,789.

The Trust received donations of £100 (2024: £1,000) during the year.

The Trustees confirm that investments held by the Trust which are stated at market value, have been acquired in accordance with the powers available to the Trustees. These investments have been reviewed during the year. The Trustees consider that the funds can meet the Trust's obligations.

INVESTMENT POLICY

It is the policy of the Trustees to seek to achieve a balanced return between income and capital over the long term.

The market value of investments held at 31 January 2025 was £1,257,471. Movements in the stock market during the year have resulted in a increase of £141,495 to the cumulative unrealised gains at 31 January 2025.

RESERVES

It is the policy of the Trustees to keep Free Reserves at a level that would meet between 3 and 6 months' expenditure of the Trust. Based on the 2024/25 accounts the band would be £117,497 to £234,994.

At 31 January 2025 unrestricted revenue reserves amounted to £436,034 and balances in the cyclical maintenance and extraordinary repair funds are £22,299 and £942,981 respectively.

At present the Free Reserves amount to £436,034 which is the above the target level.

PLANS FOR THE FUTURE

The Trust plans to continue its policy of improving its properties as and when the opportunities arise. The Trust also aims to achieve as near 100% occupation of its properties as possible and maintain a waiting list of suitable candidates.

Various items of expenditure are being considered, or are necessary, for the 2025/26 budget.

FUNDS HELD AS CUSTODIAN TRUSTEE

The Trust does not act as a Custodian Trustee and therefore no such assets are held.

RISK MANAGEMENT

The Trustees have examined the principal strategic and operational risks which the Trust faces and confirm that systems have been established to minimise these risks. The Trustees review these procedures regularly to ensure that they still meet the Trust's needs.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- observe the methods and principles in the Charities SORP 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements 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 Trust will continue in operation.
- select suitable accounting policies and then apply them consistently;

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the Financial Statements comply with the Charities Act 2011 and the provision of the trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE GRACEWELL FOSTER TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
YEAR ENDED 31 JANUARY 2025**

We have audited the financial statements of The Gracewell Foster Trust for the year ended 31 January 2025, which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2025, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 trustees' annual report, 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.

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.

**THE GRACEWELL FOSTER TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)
YEAR ENDED 31 JANUARY 2025**

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

**THE GRACEWELL FOSTER TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)
YEAR ENDED 31 JANUARY 2025**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Thomas & Young Limited

**Thomas & Young Limited
Statutory Auditor**

Carleton House
266-268 Stratford Road
Shirley
Solihull
West Midlands
B90 3AD

Date: *18 August 2025*

Thomas & Young Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**THE GRACEWELL FOSTER TRUST
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 JANUARY 2025**

Statement of Financial Activities

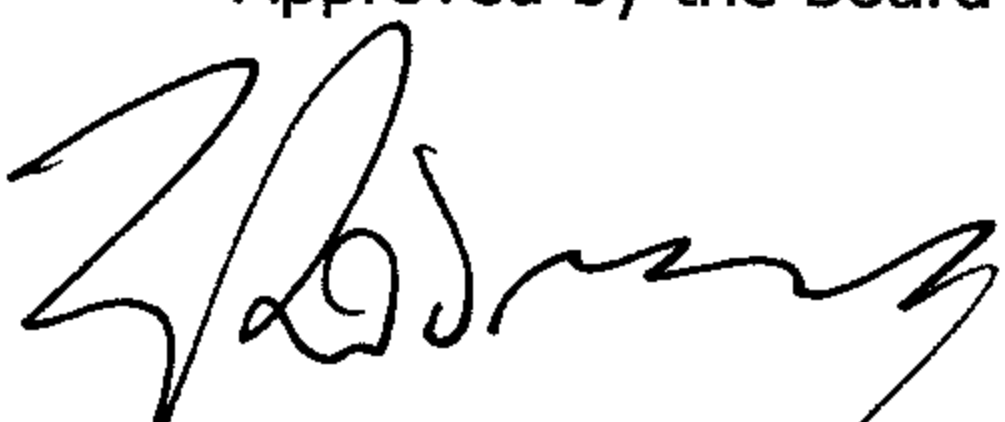

	Note	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Endowment Funds £	Total Funds 2025 £	Total Funds 2024 £
Income and endowments from:							
Donations and legacies	2	100	-	-	-	100	1,000
Investment income	3	11,021	-	-	-	11,021	9,044
Income from Charitable activities	4	409,748	-	-	23,778	433,526	404,757
Total income and endowments		<u>420,869</u>	<u>-</u>	<u>-</u>	<u>23,778</u>	<u>444,647</u>	<u>414,801</u>
Expenditure on:							
Charitable activities	5	269,126	-	172,353	28,509	469,988	390,536
Total expenditure		<u>269,126</u>	<u>-</u>	<u>172,353</u>	<u>28,509</u>	<u>469,988</u>	<u>390,536</u>
Net income/(expenditure) before gains on investments		151,743	-	(172,353)	(4,731)	(25,341)	24,265
Net gain/(loss) on investments		-	3,607	130,173	7,715	141,495	43,972
Net income/(expenditure)		<u>151,743</u>	<u>3,607</u>	<u>(42,180)</u>	<u>2,984</u>	<u>116,154</u>	<u>68,237</u>
Transfers between Funds		(151,452)	-	151,452	-	-	-
Net movement of funds		291	3,607	109,272	2,984	116,154	68,237
Reconciliation of funds							
Total funds at 31 January 2024		<u>435,743</u>	<u>36,389</u>	<u>843,326</u>	<u>347,177</u>	<u>1,662,635</u>	<u>1,594,398</u>
Total funds at 31 January 2025		<u><u>436,034</u></u>	<u><u>39,996</u></u>	<u><u>952,598</u></u>	<u><u>350,161</u></u>	<u><u>1,778,789</u></u>	<u><u>1,662,635</u></u>

All activities relate to continuing operations.

**THE GRACEWELL FOSTER TRUST
BALANCE SHEET
AS AT 31 JANUARY 2025**

		2025		2024	
	Note	£	£	£	£
Fixed assets					
Tangible Fixed Assets	10		800,902		836,867
Investments at Market Value	11		1,257,471		1,115,977
			<u>2,058,373</u>		<u>1,952,844</u>
Current Assets					
Debtors	12	14,374		14,579	
Cash at bank and in hand		236,837		241,870	
		<u>251,211</u>		<u>256,449</u>	
Creditors					
Amounts falling due within one year	13	(90,096)		(80,815)	
Net Current Assets			<u>161,115</u>		<u>175,634</u>
Total Assets Less Current Liabilities			2,219,488		2,128,478
Creditors					
Amounts falling due in more than one year	14		(440,699)		(465,843)
Net Assets			<u>1,778,789</u>		<u>1,662,635</u>
Funds					
Unrestricted funds					
General fund	15		436,034		435,743
Designated funds	15		952,598		843,326
Restricted funds	15		39,996		36,389
Endowment funds	15		350,161		347,177
			<u>1,778,789</u>		<u>1,662,635</u>

Approved by the Board of Trustees on 14/1/25 and signed on their behalf by

)
) **TRUSTEES**

The notes on pages 10 to 17 form part of these accounts.

THE GRACEWELL FOSTER TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2025

1 ACCOUNTING POLICIES

Charity Information

The Gracewell Foster Trust is a registered Charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are detailed on page 2.

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency. The Monetary amounts in these statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below:-

1.2 Going concern

At the time of approving the accounts, they have a reasonable expectation that they have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of their charitable objectives.

Restricted funds are required to be retained and accumulated until the year 2028.

Designated funds are set aside to be used on projects and cyclical maintenance of the properties at the discretion of the trustees.

Endowment funds are expendable at the discretion of the trustees.

The purposes and uses of the funds are set out in the notes to the accounts.

1.4 Incoming resources

Contributions from residents, investment income and donations and legacies are accounted for in the period in which the charity is entitled to receipt.

1.5 Resources expended

Expenditure is accounted for on an accruals basis gross of VAT. Support costs comprise those costs directly attributable to the servicing and administering of the charitable activities. Other costs are those costs attributable to carrying out the charitable activities. Where costs cannot be directly attributable to either of these two sources, 90% of the costs are allocated to service and 10% to management costs.

**THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 JANUARY 2025**

1 ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided at rates calculated to write off the cost, less residual value, of each asset on a systematic basis over its expected useful life as follows:

Housing properties	- 2% straight line
Fixtures, fittings & equipment	- 15% straight line (fixtures etc) and 33.33% straight line (computer equipment)

1.7 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SOFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

1.8 Grants received

Where a grant is received to reduce the cost of a property it is shown as a deduction to its cost on the balance sheet.

1.9 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit is estimated and compared to the carrying amount. Where the carrying amount exceeds the recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried forward at a revalued amount where the impairment loss is a revaluation decrease.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments and original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, they are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of or in the period of the revision and future periods where the revision affects both current and future periods.

2 DONATIONS AND LEGACIES

	2025	2024
	£	£
Other	100	1,000
	<u>100</u>	<u>1,000</u>
	<u><u>100</u></u>	<u><u>1,000</u></u>

Income from donations and legacies was £100 (2024: £1,000) of which £nil (2024: £nil) was attributable to restricted funds.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 JANUARY 2025

3 INVESTMENT INCOME

	2025	2024
	£	£
Dividends - equities	3,670	3,059
Interest – fixed income securities	7,175	5,782
Interest – deposits	176	203
	<u>11,021</u>	<u>9,044</u>

Income from investments was £11,021 (2024: £9,044) of which £11,021 (2024: £9,044) was attributable to unrestricted funds.

4 INCOME FROM CHARITABLE ACTIVITIES

	2025	2024
	£	£
Contribution from Residents:		
Maintenance contributions	317,819	300,083
Service charges:		
- Home help service	5,212	5,093
- Heating	76,738	65,819
- Alarm	9,549	9,314
Visitors room	430	670
Social Housing Grant released	23,778	23,778
	<u>433,526</u>	<u>404,757</u>

Income from charitable activities was £433,526 (2024: £404,757) of which £409,748 (2024: £380,979) was attributable to unrestricted funds and £23,778 (2024: £23,778) was attributable to the endowment fund.

5 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly	Support costs	Total
	£	£	£
Accommodation for Residents	<u>364,702</u>	<u>105,286</u>	<u>469,988</u>

£28,509 (2024: £28,509) of the above costs were attributable to endowment funds. £172,353 (2024: £134,449) of the above costs were attributable to designated funds. £269,126 (2024: £227,578) of the above costs were attributable to unrestricted funds.

6 ALLOCATION OF SUPPORT COSTS

	Charitable Activities	Total
	£	£
Governance	33,092	33,092
Finance	15,204	15,204
Depreciation	35,965	35,965
Office costs	18,049	18,049
Other	2,976	2,976
	<u>105,286</u>	<u>105,286</u>

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2025

7 GOVERNANCE COSTS

	2025	2024
	£	£
Audit Fee	7,140	6,600
Legal and professional fees	0	0
Executive Officer's salaries and secretarial services	25,017	23,573
Pension contributions	935	744
	<u>33,092</u>	<u>30,917</u>

8 COSTS OF ACTIVITIES UNDERTAKEN DIRECTLY

	2025	2024
	£	£
Salaries	48,076	45,790
Cyclical maintenance	65,772	63,252
Extraordinary repairs	40,257	38,682
Garden maintenance	19,458	20,752
Day to day maintenance	45,423	32,514
Heating costs	76,116	59,904
Rates	18,593	13,094
Residents functions and outings	4,488	3,095
Professional fees	18,741	4,724
Alarm system maintenance	6,877	7,006
	<u>343,801</u>	<u>288,813</u>

9 EMPLOYEES AND TRUSTEES

	2025	2024
	£	£
Wages and salaries	72,748	66,070
Social security costs	-	-
Pension contribution	1,280	1,036
	<u>74,028</u>	<u>67,107</u>

No employee received emoluments of £60,000 or more.

The Trustees received no remuneration during the year (2024: £nil).

Expenses amounting to £2,300 was reimbursed to three Trustees for charitable expenses during the year (2024: £1,925).

The average number of employees was 4 (2024: 4). Calculated on a full time equivalent basis, analysed by function, was:

	NUMBER	NUMBER
Direct Charitable Expenditure	3	3
Management and Administration of Charity	1	1
	<u>4</u>	<u>4</u>

All staff are employed by the Charity

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2025

10 TANGIBLE FIXED ASSETS

	Freehold Housing Properties	Fixtures Fittings & Equipment	Total
	£	£	£
Cost or valuation			
At 31 January 2024	1,776,411	169,299	1,945,710
Additions	-	-	-
Disposals	-	-	-
At 31 January 2025	<u>1,776,411</u>	<u>169,299</u>	<u>1,945,710</u>
Depreciation			
At 31 January 2024	950,692	158,151	1,108,843
Charge for the year	28,509	7,456	35,965
Depreciation on disposal	-	-	-
At 31 January 2025	<u>979,201</u>	<u>165,607</u>	<u>1,144,808</u>
Net book value			
At 31 January 2025	<u>797,210</u>	<u>3,692</u>	<u>800,902</u>
At 31 January 2024	<u>825,719</u>	<u>11,148</u>	<u>836,867</u>

Up to and including the year ended 23 January 2000, it was the Trust's policy to revalue certain of the freehold properties. In the year ended 23 January 2001 the Trust adopted the transitional provisions of FRS15 Tangible Fixed Assets. Whilst previous valuations have been retained they have not been updated. From year ended 23 January 2001 it is the Trust's policy not to revalue fixed assets.

The cost of depreciable assets held with non-depreciable assets amounts to £1,425,434 (2024: £1,425,434).

The properties are now valued for insurance purposes at £12,700,920 (2024: £12,451,880).

In the opinion of the Trustees, the present open market value of the housing properties, with vacant possession, is greatly in excess of their net book value.

11 INVESTMENTS

	2025	2024
	£	£
Market value at 31 January 2024	1,115,976	1,072,005
Net unrealised investment gain	<u>141,495</u>	<u>43,972</u>
Market value as at 31 January 2025	<u>1,257,471</u>	<u>1,115,977</u>
Historical cost as at 31 January 2025	<u>168,435</u>	<u>168,435</u>
UK listed investments are represented by: Investment and unit trusts	<u>1,257,471</u>	<u>1,115,977</u>

The analysis of investments held, between funds, is shown in note 15 of these accounts.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2025

11 INVESTMENTS (continued)

	Market Value	
	2025	2024
	£	£
The following investment represents more than 5% of the Portfolio valuation:		
Charnico Acc Shares	149,700	146,814
Charities official investment fund	328,223	298,625
Charishare Acc shares	317,368	279,221
Schroder investment charity fund	347,637	288,096

Reconciliation of Movement in Unrealised Gains on Investment Assets

	£
Unrealised gains at 31 January 2024	947,541
Net surplus arising on revaluations for the period	141,495
Unrealised gains at 31 January 2025	<u>1,089,036</u>

12 DEBTORS

	2025	2024
	£	£
Trade debtors	2,600	-
Other debtors	2,502	4,545
Prepayments and accrued income	9,272	10,034
	<u>14,374</u>	<u>14,579</u>

13 CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	14,178	-
Pension contributions	345	317
Other creditors and accruals	51,795	56,720
Deferred grant income	23,778	23,778
	<u>90,096</u>	<u>80,815</u>

14 CREDITORS: AMOUNTS DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Loan	155,366	156,732
Deferred grant income	285,333	309,111
	<u>440,699</u>	<u>465,843</u>

The loan which is secured on the title deeds of the development at Foster's is repayable by half yearly annuities of £8,307, which will redeem the loan and interest at 9¾% per annum on 31 March 2050.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2025

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund	Restricted Fund	Designated Funds	Endowment Fund	Total Funds
	£	£	£	£	£
Tangible fixed assets	3,692	-	-	797,210	800,902
Investments	-	39,996	1,142,929	74,546	1,257,471
Current Assets	493,556	-	(190,331)	(52,013)	251,212
Current liabilities	(61,214)	-	-	(28,883)	(90,097)
Long term liabilities	-	-	-	(440,699)	(440,699)
	<u>436,034</u>	<u>39,996</u>	<u>952,598</u>	<u>350,161</u>	<u>1,778,789</u>

16 FUNDS

	At 31 January 2024	Incoming Resources	Outgoing Resources	Transfers	Revaluation of investments	At 31 January 2025
	£	£	£	£	£	£
UNRESTRICTED FUNDS						
General fund	<u>435,743</u>	<u>420,869</u>	<u>(269,126)</u>	<u>(151,452)</u>	<u>-</u>	<u>436,034</u>
DESIGNATED FUNDS						
- Extraordinary repairs reserve	827,397	-	(54,846)	(59,743)	130,173	842,981
- Cyclical maintenance reserve	17,218	-	(60,691)	165,772	-	122,299
- Routine maintenance reserve	(1,289)	-	(56,816)	45,423	-	(12,682)
	<u>843,326</u>	<u>-</u>	<u>(172,353)</u>	<u>151,452</u>	<u>130,173</u>	<u>952,598</u>
RESTRICTED FUND						
Sinking fund	<u>36,389</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,607</u>	<u>39,996</u>
ENDOWMENT FUND						
- Expendable	<u>347,177</u>	<u>23,778</u>	<u>(28,509)</u>	<u>-</u>	<u>7,715</u>	<u>350,161</u>
TOTAL	<u>1,662,635</u>	<u>444,647</u>	<u>(469,988)</u>	<u>-</u>	<u>141,495</u>	<u>1,778,789</u>

Unrestricted funds comprise those funds which the trustees are free to use in accordance charitable objects.

Restricted funds – Sinking Fund. The sinking fund represents the holding of 147 accumulation shares in the Charities Official Investment Fund. This is required to be retained and accumulated until the year 2028 to replace the capital value realised by the sale of an orchard in 1968.

Cyclical maintenance reserve represents amounts set aside for future cyclical maintenance.

Extraordinary repairs reserve and routine maintenance reserve. The Charity Commission sanctioned the establishment of the extraordinary repairs reserve in 1978. The transfer has been based on the level recommended by the Almshouse Association and approved by the Charity Commission.

The Endowment Fund represents the original gift to the Charity by Arthur Henry Foster and subsequent gifts to fund capital projects arising since the formation. The Endowment Fund is expendable at the discretion of the trustees. However, as it is mainly represented by the fixed assets held for charitable use, there is no intention of converting any of this fund into income.

**THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2025**

17 HOUSING CORPORATION GRANT

The Housing Corporation Grant is repayable under certain circumstances, primarily following the sale of a property but will normally be restricted to net proceeds of sale.

18 CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided for in the financial statements, was £nil (2024: £NIL).

19 AUDITORS' ETHICAL STANDARDS

In common with many businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

20 CONTINGENT LIABILITY

The trustees have made Birmingham City Council aware of a potential overpayment of housing benefit from the Council. At the date of approval of these financial statements, it has not been possible to confirm either the amount of any potential overpayment or whether any housing benefit will need to be repaid to them.

THE GRACEWELL FOSTER TRUST

England & Wales - Charity number 218796

Accounts

(Registered Charity Number 218796)

THE GRACEWELL FOSTER TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

**THOMAS
+ YOUNG**

CHARTERED ACCOUNTANTS + REGISTERED AUDITORS

CONTENTS

	PAGE
Trustees' report	1 - 4
Auditors' report	5 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 17

THE GRACEWELL FOSTER TRUST

TRUSTEES' REPORT

YEAR ENDED 31 JANUARY 2024

The Trustees present their report and the audited financial statements of the Trust for the year ended 31 January 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' in preparing the annual report and financial statements of the Trust.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Gracewell Homes Foster Trust ("the Trust") was founded by the Will of Arthur Henry Foster, which was proved on 3 January 1929. The change of name to The Gracewell Foster Trust was registered with the Charity Commissioner on 20 September 2012. The Trust is a registered Trust, no. 218796, and is regulated by a Scheme of the Charity Commissioners sealed on 11 April 1978.

The Trust is affiliated to The Almshouse Association.

TRUSTEES

The Trustees who served during the year and since the year end were as follows:

Mr I Marshall	(Chairman - resigned 11 April 2024)
Miss D Mattison	
Mr E Rodgers	(Chairman - appointed 30 May 2024)
Mrs N Pozzi	
Mrs M Bowles	
Ms L Fryer	
Mr A Holland	(appointed 31 July 2023)

EXECUTIVE OFFICER AND PRINCIPAL OFFICE

The Executive Officer is J Galvin

The principal office is:

271 Wake Green Road
Moseley
Birmingham
B13 9XL

ADVISORS DURING THE PERIOD

Auditors:	Thomas and Young Limited Carlton House 266-268 Stratford Road Shirley Solihull West Midlands B90 3AD
-----------	--

Bankers:	HSBC Bank PLC
----------	---------------

**THE GRACEWELL FOSTER TRUST
TRUSTEES' REPORT (continued)
YEAR ENDED 31 JANUARY 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The day-to-day management of the Trust is carried out by a small staff based at its principal office. The Trustees meet at least six times each year when they consider overall strategy, property and investment matters, risk management, finances and all matters relating to the efficient management of the Trust. Various sub-committees, which report to the Trustees, operate to improve the smooth management of the Trust.

Under the terms of the Scheme referred to above, there shall be a maximum of ten trustees all being co-optative. Prior to the appointment of trustees, they are given a full and detailed outline of the Trust, its objectives and its activities, and the policies which are adopted to ensure the sound performance of the Trust.

The principal objective of the Trust is to ensure the well-being and happiness of all the ladies who are accommodated in the Trust's properties.

The Chairman and other Trustees visit the Trust Office regularly to meet with the Executive Officer and the Scheme Managers to ensure that they are aware of the day to day activities of the Trust.

OBJECTIVES AND ACTIVITIES

The object of the Trust is to provide Almshouse accommodation for single ladies who are over the age of 55 years and of limited financial means.

There are 62 self-contained sheltered housing units in total, comprising 16 bungalows and 12 flats in category 1 and 34 flats (Fosters) in category 2.

In setting their objectives, the Trustees have given careful consideration to the Charity Commission's general advice on public benefit.

The Trust employs a full time Warden/Scheme Manager who, with the aid of a deputy part-time Warden/Scheme Manager and one other part-time employee ensures that the needs of the residents are met, and a congenial environment provided. The Trust also employs a part-time Executive Officer. Maintenance of the fabric of the estate and gardens and grounds is undertaken to a high standard by independent contractors. The Trustees consider themselves fortunate in having such a dedicated team in charge of the day-to-day running of the homes and in the quality of the services provided by their contractors.

The Trust is principally resourced by the weekly maintenance contributions from the residents. In order to finance extraordinary repairs, routine maintenance and cyclical maintenance repairs the Trust transfers The Almshouse Association's recommended amounts into designated reserves.

ACHIEVEMENTS AND PERFORMANCE

The Trust maintains a reasonable level of voids, with properties mainly being void during periods of refurbishment or redecoration following a beneficiary leaving her home. It is the policy of the Trustees that, when older properties are vacated, full refurbishment takes place prior to being occupied by a new beneficiary. This naturally takes longer than a simple redecoration. The newer properties are redecorated and undergo a full overhaul prior to re letting. This way the Trust maintains the high quality and high standard of the properties for occupation by its beneficiaries.

The Trust is not involved in fund-raising activities; however, we do apply, from time-to-time, to grant giving charities for assistance with specific projects. Generally, these relate to refurbishment of properties.

The Trustees meet the residents on a regular basis during the year to help satisfy the Trust's objectives of ensuring their needs are met and a congenial environment provided. The Chairman arranges an annual meeting with all the residents to discuss any concerns that they or the Trustees may have.

THE GRACEWELL FOSTER TRUST

TRUSTEES' REPORT (continued)

YEAR ENDED 31 JANUARY 2024

FINANCIAL REVIEW

The Financial Statements show a surplus for the year, before the revaluation of investments, of £23,265 (2023: surplus £20,655) and the accumulated fund balance at 31 January 2024 was £1,662,635.

The Trust received donations of £1,000 (2023: £2,800) during the year.

The Trustees confirm that investments held by the Trust which are stated at market value, have been acquired in accordance with the powers available to the Trustees. These investments have been reviewed during the year. The Trustees consider that the funds can meet the Trust's obligations.

INVESTMENT POLICY

It is the policy of the Trustees to seek to achieve a balanced return between income and capital over the long term.

The market value of investments held at 31 January 2024 was £1,115,977. Movements in the stock market during the year have resulted in an increase of £43,972 to the cumulative unrealised gains at 31 January 2024.

RESERVES

It is the policy of the Trustees to keep Free Reserves at a level that would meet between 3 and 6 months' expenditure of the Trust. Based on the 2023/24 accounts the band would be £96,884 to £193,768.

At 31 January 2024 unrestricted revenue reserves amounted to £435,743 and balances in the cyclical maintenance and extraordinary repair funds are £17,218 and £827,397 respectively.

At present the Free Reserves amount to £435,743 which is above the target level.

PLANS FOR THE FUTURE

The Trust plans to continue its policy of improving its properties as and when the opportunities arise. The Trust also aims to achieve as near 100% occupation of its properties as possible and maintain a waiting list of suitable candidates.

Various items of expenditure are being considered, or are necessary, for the 2024/25 budget.

FUNDS HELD AS CUSTODIAN TRUSTEE

The Trust does not act as a Custodian Trustee and therefore no such assets are held.

RISK MANAGEMENT

The Trustees have examined the principal strategic and operational risks which the Trust faces and confirm that systems have been established to minimise these risks. The Trustees review these procedures regularly to ensure that they still meet the Trust's needs.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- observe the methods and principles in the Charities SORP 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements 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 Trust will continue in operation.
- select suitable accounting policies and then apply them consistently;

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the Financial Statements comply with the Charities Act 2011 and the provision of the trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE GRACEWELL FOSTER TRUST
TRUSTEES' REPORT (continued)
YEAR ENDED 31 JANUARY 2024**

DISCLOSURE OF INFORMATION TO THE AUDITORS

We, the Trustees of the Trust who held office at the date of approval of these Financial Statements as set out above, each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Trust's auditors are unaware: and
- we have taken all steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

AUDITORS

A resolution proposing that Thomas and Young Limited be re-appointed as auditors of the Trust will be put to the Annual General Meeting.

Approved by the Trustees and signed on their behalf.

)
)
)

TRUSTEES

Date:

30/4/24

THE GRACEWELL FOSTER TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

YEAR ENDED 31 JANUARY 2024

We have audited the financial statements of The Gracewell Foster Trust for the year ended 31 January 2024, which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2024, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 trustees' annual report, 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.

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.

**THE GRACEWELL FOSTER TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)
YEAR ENDED 31 JANUARY 2024**

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

**THE GRACEWELL FOSTER TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)
YEAR ENDED 31 JANUARY 2024**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Thomas + Young Limited

**Thomas & Young Limited
Statutory Auditor**

Carleton House
266-268 Stratford Road
Shirley
Solihull
West Midlands
B90 3AD

Date: *8 August 2024*

Thomas & Young Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE GRACEWELL FOSTER TRUST
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 JANUARY 2024

Statement of Financial Activities

	Note	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Endowment Funds £	Total Funds 2024 £	Total Funds 2023 £
Income and endowments from:							
Donations and legacies	2	1,000	-	-	-	1,000	2,800
Investment income	3	9,044	-	-	-	9,044	4,921
Income from Charitable activities	4	380,979	-	-	23,778	404,757	357,737
Total income and endowments		<u>391,023</u>	<u>-</u>	<u>-</u>	<u>23,778</u>	<u>414,801</u>	<u>365,458</u>
Expenditure on:							
Charitable activities	5	227,578	-	134,449	28,509	390,536	344,803
Total expenditure		<u>227,578</u>	<u>-</u>	<u>134,449</u>	<u>28,509</u>	<u>390,536</u>	<u>344,803</u>
Net income/(expenditure) before gains on investments		163,445	-	(134,449)	(4,731)	24,265	20,655
Net gain/(loss) on investments		-	2,908	43,635	(2,571)	43,972	(3,191)
Net income/(expenditure)		163,445	2,908	(90,814)	(7,302)	68,237	17,464
Transfers between Funds		(145,593)	-	145,593	-	-	-
Net movement of funds		17,852	2,908	54,779	(7,302)	68,237	17,464
Reconciliation of funds							
Total funds at 31 January 2023		417,891	33,481	788,547	354,479	1,594,398	1,576,934
Total funds at 31 January 2024		<u>435,743</u>	<u>36,389</u>	<u>843,326</u>	<u>347,177</u>	<u>1,662,635</u>	<u>1,594,398</u>

All activities relate to continuing operations.

**THE GRACEWELL FOSTER TRUST
BALANCE SHEET
AS AT 31 JANUARY 2024**

		2024		2023	
		£	£	£	£
Fixed assets	Note				
Tangible Fixed Assets	10		836,867		874,634
Investments at Market Value	11		1,115,977		1,072,005
			<u>1,952,844</u>		<u>1,946,639</u>
Current Assets					
Debtors	12	14,579		8,470	
Cash at bank and in hand		241,870		200,721	
		<u>256,449</u>		<u>209,191</u>	
Creditors					
Amounts falling due within one year	13	(80,815)		(70,570)	
Net Current Assets			175,634		138,621
Total Assets Less Current Liabilities			<u>2,128,478</u>		<u>2,085,260</u>
Creditors					
Amounts falling due in more than one year	14		(465,843)		(490,862)
Net Assets			<u>1,662,635</u>		<u>1,594,398</u>
Funds					
Unrestricted funds					
General fund	15		435,743		417,891
Designated funds	15		843,326		788,547
Restricted funds	15		36,389		33,481
Endowment funds	15		347,177		354,479
			<u>1,662,635</u>		<u>1,594,398</u>

Approved by the Board of Trustees on 26/1/24 and signed on their behalf by

)
) TRUSTEES
)

The notes on pages 10 to 17 form part of these accounts.

THE GRACEWELL FOSTER TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2024

1 ACCOUNTING POLICIES

Charity Information

The Gracewell Foster Trust is a registered Charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are detailed on page 2.

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency. The Monetary amounts in these statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below:-

1.2 Going concern

At the time of approving the accounts, they have a reasonable expectation that they have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of their charitable objectives.

Restricted funds are required to be retained and accumulated until the year 2028.

Designated funds are set aside to be used on projects and cyclical maintenance of the properties at the discretion of the trustees.

Endowment funds are expendable at the discretion of the trustees.

The purposes and uses of the funds are set out in the notes to the accounts.

1.4 Incoming resources

Contributions from residents, investment income and donations and legacies are accounted for in the period in which the charity is entitled to receipt.

1.5 Resources expended

Expenditure is accounted for on an accruals basis gross of VAT. Support costs comprise those costs directly attributable to the servicing and administering of the charitable activities. Other costs are those costs attributable to carrying out the charitable activities. Where costs cannot be directly attributable to either of these two sources, 90% of the costs are allocated to service and 10% to management costs.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 JANUARY 2024

1 ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided at rates calculated to write off the cost, less residual value, of each asset on a systematic basis over its expected useful life as follows:

Housing properties	- 2% straight line
Fixtures, fittings & equipment	- 15% straight line (fixtures etc) and 33.33% straight line (computer equipment)

1.7 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SOFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

1.8 Grants received

Where a grant is received to reduce the cost of a property it is shown as a deduction to its cost on the balance sheet.

1.9 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit is estimated and compared to the carrying amount. Where the carrying amount exceeds the recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried forward at a revalued amount where the impairment loss is a revaluation decrease.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments and original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, they are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of or in the period of the revision and future periods where the revision affects both current and future periods.

2 DONATIONS AND LEGACIES

	2024	2023
	£	£
Other	1,000	2,800
	<u>1,000</u>	<u>2,800</u>

Income from donations and legacies was £1,000 (2023: £2,800) of which £nil (2023: £nil) was attributable to restricted funds.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 JANUARY 2024

3 INVESTMENT INCOME

	2024	2023
	£	£
Dividends - equities	3,059	3,087
Interest – fixed income securities	5,782	1,631
Interest – deposits	203	203
	<u>9,044</u>	<u>4,921</u>

Income from investments was £9,044 (2023: £4,921) of which £9,044 (2023: £4,921) was attributable to unrestricted funds.

4 INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Contribution from Residents:		
Maintenance contributions	300,083	262,991
Service charges:		
- Home help service	5,093	4,685
- Heating	65,819	56,926
- Alarm	9,314	8,942
Visitors room	670	415
Social Housing Grant released	23,778	23,778
	<u>404,757</u>	<u>356,291</u>

Income from charitable activities was £404,757 (2023: £356,291) of which £380,979 (2023: £332,513) was attributable to unrestricted funds and £23,778 (2022 £23,778) was attributable to the endowment fund.

5 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly	Support costs	Total
	£	£	£
Accommodation for Residents	<u>288,813</u>	<u>101,723</u>	<u>390,536</u>

£28,509 (2023: £28,509) of the above costs were attributable to endowment funds. £134,449 (2023: £115,602) of the above costs were attributable to designated funds. £227,578 (2023: 200,692) of the above costs were attributable to unrestricted funds.

6 ALLOCATION OF SUPPORT COSTS

	Charitable Activities	Total
	£	£
Governance	30,917	26,133
Finance	15,332	15,554
Depreciation	37,767	37,620
Office costs	15,890	14,723
Other	1,817	1,550
	<u>101,723</u>	<u>95,580</u>

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2024

7 GOVERNANCE COSTS

	2024	2023
	£	£
Audit Fee	6,600	6,900
Legal and professional fees	0	0
Executive Officer's salaries and secretarial services	23,573	20,739
Pension contributions	744	744
	<u>30,917</u>	<u>28,383</u>

8 COSTS OF ACTIVITIES UNDERTAKEN DIRECTLY

	2024	2023
	£	£
Salaries	45,790	41,010
Cyclical maintenance	63,252	56,574
Extraordinary repairs	38,682	34,587
Garden maintenance	20,752	19,899
Day to day maintenance	32,514	24,442
Heating costs	59,904	44,066
Rates	13,094	7,596
Residents functions and outings	3,095	4,069
Professional fees	4,724	4,287
Alarm system maintenance	7,006	8,168
	<u>288,813</u>	<u>244,598</u>

9 EMPLOYEES AND TRUSTEES

	2024	2023
	£	£
Wages and salaries	66,070	61,652
Social security costs	-	-
Pension contribution	1,036	841
Total emoluments	<u>67,107</u>	<u>62,493</u>

No employee received emoluments of £60,000 or more.

The Trustees received no remuneration during the year (2023: £nil).

Expenses amounting to £1,925 was reimbursed to one Trustee for charitable expenses during the year (2023: £2,593).

The average number of employees was 4 (2023: 4). Calculated on a full time equivalent basis, analysed by function, was:

	NUMBER	NUMBER
Direct Charitable Expenditure	3	3
Management and Administration of Charity	1	1
	<u>4</u>	<u>4</u>

All staff are employed by the Charity

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2024

10 TANGIBLE FIXED ASSETS

	Freehold Housing Properties £	Fixtures Fittings & Equipment £	Total £
Cost or valuation			
At 31 January 2023	1,776,411	169,299	1,945,710
Additions	-	-	-
Disposals	-	-	-
At 31 January 2024	<u>1,776,411</u>	<u>169,299</u>	<u>1,945,710</u>
Depreciation			
At 31 January 2023	922,183	148,893	1,071,076
Charge for the year	28,509	9,258	37,767
Depreciation on disposal	-	-	-
At 31 January 2024	<u>950,692</u>	<u>158,151</u>	<u>1,108,843</u>
Net book value			
At 31 January 2024	<u>825,719</u>	<u>11,148</u>	<u>836,867</u>
At 31 January 2023	<u>854,228</u>	<u>20,406</u>	<u>874,634</u>

Up to and including the year ended 23 January 2000, it was the Trust's policy to revalue certain of the freehold properties. In the year ended 23 January 2001 the Trust adopted the transitional provisions of FRS15 Tangible Fixed Assets. Whilst previous valuations have been retained they have not been updated. From year ended 23 January 2001 it is the Trust's policy not to revalue fixed assets.

The cost of depreciable assets held with non-depreciable assets amounts to £1,425,434 (2023: £1,425,434).

The properties are now valued for insurance purposes at £12,451,880 (2023: £10,553,333).

In the opinion of the Trustees, the present open market value of the housing properties, with vacant possession, is greatly in excess of their net book value.

11 INVESTMENTS

	2024 £	2023 £
Market value at 31 January 2023	1,072,005	1,075,196
Net unrealised investment gain/(loss)	<u>43,972</u>	<u>(3,191)</u>
Market value as at 31 January 2024	<u>1,115,977</u>	<u>1,072,005</u>
Historical cost as at 31 January 2024	<u>168,435</u>	<u>168,435</u>
UK listed investments are represented by: Investment and unit trusts	<u>1,115,977</u>	<u>1,075,196</u>

The analysis of investments held, between funds, is shown in note 15 of these accounts.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2024

11 INVESTMENTS (continued)

	Market Value	
	2024	2023
	£	£
The following investment represents more than 5% of the Portfolio valuation:		
Charnico Acc Shares	146,814	145,375
Charities official investment fund	298,625	274,764
Charishare Acc shares	279,221	270,873
Schroder investment charity fund	288,096	278,110

Reconciliation of Movement in Unrealised Gains on Investment Assets

	£
Unrealised gains at 31 January 2023	903,570
Net surplus arising on revaluations for the period	43,972
Unrealised gains at 31 January 2024	<u>947,542</u>

12 DEBTORS

	2024	2023
	£	£
Other debtors	4,545	611
Prepayments and accrued income	10,034	7,859
	<u>14,579</u>	<u>8,470</u>

13 CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2024	2023
	£	£
Other taxation and social security	-	-
Pension contributions	317	299
Other creditors and accruals	56,720	46,493
Deferred grant income	23,778	23,778
	<u>80,815</u>	<u>70,570</u>

14 CREDITORS: AMOUNTS DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Loan	156,732	157,974
Deferred grant income	309,111	332,888
	<u>465,843</u>	<u>490,862</u>

The loan which is secured on the title deeds of the development at Foster's is repayable by half yearly annuities of £8,307, which will redeem the loan and interest at 9¾% per annum on 31 March 2050.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2024

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund	Restricted Fund	Designated Funds	Endowment Fund	Total Funds
	£	£	£	£	£
Tangible fixed assets	11,148	-	-	825,719	836,867
Investments	-	36,389	1,012,756	66,832	1,115,977
Current Assets	476,482	-	(169,430)	(50,603)	256,449
Current liabilities	(51,887)	-	-	(28,928)	(80,815)
Long term liabilities	-	-	-	(465,843)	(465,843)
	<u>438,743</u>	<u>36,389</u>	<u>843,326</u>	<u>347,177</u>	<u>1,665,635</u>

16 FUNDS

	At 31 January 2023	Incoming Resources	Outgoing Resources	Transfers	Revaluation of investments	At 31 January 2024
	£	£	£	£	£	£
UNRESTRICTED FUNDS						
General fund	<u>417,891</u>	<u>391,023</u>	<u>(227,578)</u>	<u>(145,593)</u>	-	<u>435,743</u>
DESIGNATED FUNDS						
- Extraordinary repairs reserve	757,305	-	(12,225)	38,682	43,635	827,397
- Cyclical maintenance reserve	29,904	-	(75,938)	63,252	-	17,218
- Routine maintenance reserve	1,338	-	(46,286)	43,659	-	(1,289)
	<u>788,547</u>	<u>-</u>	<u>(134,449)</u>	<u>145,593</u>	<u>43,635</u>	<u>843,326</u>
RESTRICTED FUND						
Sinking fund	<u>33,481</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,908</u>	<u>36,389</u>
ENDOWMENT FUND						
- Expendable	<u>354,479</u>	<u>23,778</u>	<u>(28,509)</u>	<u>-</u>	<u>(2,571)</u>	<u>347,177</u>
TOTAL	<u>1,594,398</u>	<u>414,801</u>	<u>(390,536)</u>	<u>-</u>	<u>43,972</u>	<u>1,662,635</u>

Unrestricted funds comprise those funds which the trustees are free to use in accordance charitable objects.

Restricted funds – Sinking Fund. The sinking fund represents the holding of 147 accumulation shares in the Charities Official Investment Fund. This is required to be retained and accumulated until the year 2028 to replace the capital value realised by the sale of an orchard in 1968.

Cyclical maintenance reserve represents amounts set aside for future cyclical maintenance.

Extraordinary repairs reserve and routine maintenance reserve. The Charity Commission sanctioned the establishment of the extraordinary repairs reserve in 1978. The transfer has been based on the level recommended by the Almshouse Association and approved by the Charity Commission.

The Endowment Fund represents the original gift to the Charity by Arthur Henry Foster and subsequent gifts to fund capital projects arising since the formation. The Endowment Fund is expendable at the discretion of the trustees. However, as it is mainly represented by the fixed assets held for charitable use, there is no intention of converting any of this fund into income.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2024

17 HOUSING CORPORATION GRANT

The Housing Corporation Grant is repayable under certain circumstances, primarily following the sale of a property but will normally be restricted to net proceeds of sale.

18 CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided for in the financial statements, was £nil (2023: £NIL).

19 AUDITORS' ETHICAL STANDARDS

In common with many businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

20 CONTINGENT LIABILITY

The trustees have made Birmingham City Council aware of a potential overpayment of housing benefit from the Council. At the date of approval of these financial statements, it has not been possible to confirm either the amount of any potential overpayment or whether any housing benefit will need to be repaid to them.

THE GRACEWELL FOSTER TRUST

England & Wales - Charity number 218796

Accounts

THE GRACEWELL FOSTER TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 January 2023
(Registered Charity Number 218796)

THOMAS AND YOUNG LIMITED
CHARTERED ACCOUNTANTS/REGISTERED AUDITORS
SOLIHULL

CONTENTS

	PAGE
Trustees' report	1 – 4
Auditors' report	5 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 17

THE GRACEWELL FOSTER TRUST TRUSTEES' REPORT YEAR ENDED 31 JANUARY 2023

The Trustees present their report and the audited financial statements of the Trust for the year ended 31 January 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' in preparing the annual report and financial statements of the Trust.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Gracewell Homes Foster Trust ("the Trust") was founded by the Will of Arthur Henry Foster, which was proved on 3 January 1929. The change of name to The Gracewell Foster Trust was registered with the Charity Commissioner on 20 September 2012. The Trust is a registered Trust, no. 218796, and is regulated by a Scheme of the Charity Commissioners sealed on 11 April 1978.

The Trust is affiliated to The Almshouse Association.

TRUSTEES

The Trustees who served during the year and since the year end were as follows:

Mr I Marshall	(Chairman)
Miss D Mattison	
Mr E Rodgers	
Mrs N Pozzi	
Mr G Wardle	(deceased 12/08/2022)
Mrs M Bowles	
Ms L Fryer	

EXECUTIVE OFFICER AND PRINCIPAL OFFICE

The Executive Officer is J Galvin

The principal office is:

271 Wake Green Road
Moseley
Birmingham
B13 9XL

ADVISORS DURING THE PERIOD

Auditors:	Thomas and Young Limited Carlton House 266-268 Stratford Road Shirley Solihull West Midlands B90 3AD
-----------	--

Bankers:	HSBC Bank PLC
----------	---------------

**THE GRACEWELL FOSTER TRUST
TRUSTEES' REPORT (continued)
YEAR ENDED 31 JANUARY 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The day-to-day management of the Trust is carried out by a small staff based at its principal office. The Trustees meet at least six times each year when they consider overall strategy, property and investment matters, risk management, finances and all matters relating to the efficient management of the Trust. Various sub-committees, which report to the Trustees, operate to improve the smooth management of the Trust.

Under the terms of the Scheme referred to above, there shall be a maximum of ten trustees all being co-optative. Prior to the appointment of trustees, they are given a full and detailed outline of the Trust, its objectives and its activities, and the policies which are adopted to ensure the sound performance of the Trust.

The principal objective of the Trust is to ensure the well-being and happiness of all the ladies who are accommodated in the Trust's properties.

The Chairman and other Trustees visit the Trust Office regularly to meet with the Executive Officer and the Scheme Managers to ensure that they are aware of the day to day activities of the Trust.

OBJECTIVES AND ACTIVITIES

The object of the Trust is to provide Almshouse accommodation for single ladies who are over the age of 55 years and of limited financial means.

There are 62 self-contained sheltered housing units in total, comprising 16 bungalows and 12 flats in category 1 and 34 flats (Fosters) in category 2.

In setting their objectives, the Trustees have given careful consideration to the Charity Commission's general advice on public benefit.

The Trust employs a full time Warden/Scheme Manager who, with the aid of a deputy part-time Warden/Scheme Manager and one other part-time employee ensures that the needs of the residents are met, and a congenial environment provided. The Trust also employs a part-time Executive Officer. Maintenance of the fabric of the estate and gardens and grounds is undertaken to a high standard by independent contractors. The Trustees consider themselves fortunate in having such a dedicated team in charge of the day-to-day running of the homes and in the quality of the services provided by their contractors.

The Trust is principally resourced by the weekly maintenance contributions from the residents. In order to finance extraordinary repairs, routine maintenance and cyclical maintenance repairs the Trust transfers The Almshouse Association's recommended amounts into designated reserves.

ACHIEVEMENTS AND PERFORMANCE

The Trust maintains a reasonable level of voids, with properties mainly being void during periods of refurbishment or redecoration following a beneficiary leaving her home. It is the policy of the Trustees that, when older properties are vacated, full refurbishment takes place prior to being occupied by a new beneficiary. This naturally takes longer than a simple redecoration. The newer properties are redecorated and undergo a full overhaul prior to re letting. This way the Trust maintains the high quality and high standard of the properties for occupation by its beneficiaries.

The Trust is not involved in fund-raising activities; however, we do apply, from time-to-time, to grant giving charities for assistance with specific projects. Generally, these relate to refurbishment of properties.

The Trustees meet the residents on a regular basis during the year to help satisfy the Trust's objectives of ensuring their needs are met and a congenial environment provided. The Chairman arranges an annual meeting with all the residents to discuss any concerns that they or the Trustees may have.

THE GRACEWELL FOSTER TRUST TRUSTEES' REPORT (continued) YEAR ENDED 31 JANUARY 2023

FINANCIAL REVIEW

The Financial Statements show a surplus for the year, before the revaluation of investments, of £20,655 (2022: deficit £44,983) and the accumulated fund balance at 31 January 2023 was £1,594,398.

The Trust received donations of £2,800 (2022: £8,512) during the year.

The Trustees confirm that investments held by the Trust which are stated at market value, have been acquired in accordance with the powers available to the Trustees. These investments have been reviewed during the year. The Trustees consider that the funds can meet the Trust's obligations.

INVESTMENT POLICY

It is the policy of the Trustees to seek to achieve a balanced return between income and capital over the long term.

The market value of investments held at 31 January 2023 was £1,072,005. Movements in the stock market during the year have resulted in a decrease of £3,191 to the cumulative unrealised gains at 31 January 2023.

RESERVES

It is the policy of the Trustees to keep Free Reserves at a level that would meet between 3 and 6 months' expenditure of the Trust. Based on the 2022/23 accounts the band would be £103,000 to £206,222.

At 31 January 2023 unrestricted revenue reserves amounted to £417,891 and balances in the cyclical maintenance and extraordinary repair funds are £29,904 and £757,305 respectively.

At present the Free Reserves amount to £419,229, which is above the target level.

PLANS FOR THE FUTURE

The Trust plans to continue its policy of improving its properties as and when the opportunities arise. The Trust also aims to achieve as near 100% occupation of its properties as possible and maintain a waiting list of suitable candidates.

Various items of expenditure are being considered, or are necessary, for the 2023/24 budget.

FUNDS HELD AS CUSTODIAN TRUSTEE

The Trust does not act as a Custodian Trustee and therefore no such assets are held.

RISK MANAGEMENT

The Trustees have examined the principal strategic and operational risks which the Trust faces and confirm that systems have been established to minimise these risks. The Trustees review these procedures regularly to ensure that they still meet the Trust's needs.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- observe the methods and principles in the Charities SORP 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements 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 Trust will continue in operation.
- select suitable accounting policies and then apply them consistently;

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the Financial Statements comply with the Charities Act 2011 and the provision of the trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE GRACEWELL FOSTER TRUST
TRUSTEES' REPORT (continued)
YEAR ENDED 31 JANUARY 2023**

DISCLOSURE OF INFORMATION TO THE AUDITORS

We, the Trustees of the Trust who held office at the date of approval of these Financial Statements as set out above, each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Trust's auditors are unaware: and
- we have taken all steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the Trust 's auditors are aware of that information.

AUDITORS

A resolution proposing that Thomas and Young Limited be re-appointed as auditors of the Trust will be put to the Annual General Meeting.

Approved by the Trustees and signed on their behalf.

)
) TRUSTEES
)

Date:

**THE GRACEWELL FOSTER TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
YEAR ENDED 31 JANUARY 2023**

We have audited the financial statements of The Gracewell Foster Trust for the year ended 31 January 2023, which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2023, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 trustees' annual report, 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.

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.

**THE GRACEWELL FOSTER TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)
YEAR ENDED 31 JANUARY 2023**

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

**THE GRACEWELL FOSTER TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)
YEAR ENDED 31 JANUARY 2023**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Thomas & Young Limited
Statutory Auditor

Date:

Carleton House
266-268 Stratford Road
Shirley
Solihull
West Midlands
B90 3AD

Thomas & Young Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE GRACEWELL FOSTER TRUST
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 JANUARY 2023

Statement of Financial Activities

	Note	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
Income and endowments from:							
Donations and legacies	2	2,800	-	-	-	2,800	8,512
Investment income	3	4,921	-	-	-	4,921	2,659
Income from Charitable activities	4	333,959	-	-	23,778	357,737	356,291
Total income and endowments		<u>341,680</u>	<u>-</u>	<u>-</u>	<u>23,778</u>	<u>365,458</u>	<u>367,462</u>
Expenditure on:							
Charitable activities	5	200,692	-	115,602	28,509	344,803	412,445
Total expenditure		<u>200,692</u>	<u>-</u>	<u>115,602</u>	<u>28,509</u>	<u>344,803</u>	<u>412,445</u>
Net income/(expenditure) before gains on investments		140,988	-	(115,602)	(4,731)	20,655	(44,983)
Net (loss)/gain on investments		-	(369)	(185)	(2,637)	(3,191)	140,903
Net income/(expenditure)		<u>140,988</u>	<u>(369)</u>	<u>(115,787)</u>	<u>(7,368)</u>	<u>17,464</u>	<u>95,920</u>
Transfers between Funds		(130,221)	-	130,221	-	-	-
Net movement of funds		<u>10,767</u>	<u>(369)</u>	<u>14,434</u>	<u>(7,368)</u>	<u>17,464</u>	<u>95,920</u>
Reconciliation of funds							
Total funds at 31 January 2022		407,124	33,850	774,113	361,847	1,576,934	1,481,014
Total funds at 31 January 2023		<u><u>417,891</u></u>	<u><u>33,481</u></u>	<u><u>788,547</u></u>	<u><u>354,479</u></u>	<u><u>1,594,398</u></u>	<u><u>1,576,934</u></u>

All activities relate to continuing operations.

**THE GRACEWELL FOSTER TRUST
BALANCE SHEET
AS AT 31 JANUARY 2023**

		2023		2022	
		£	£	£	£
Fixed assets	Note				
Tangible Fixed Assets	10		874,634		909,319
Investments at Market Value	11		1,072,005		1,075,196
			<u>1,946,639</u>		<u>1,984,515</u>
Current Assets					
Debtors	12	8,470		7,774	
Cash at bank and in hand		200,721		169,674	
		<u>209,191</u>		<u>177,448</u>	
Creditors					
Amounts falling due within one year	13	(70,570)		(69,258)	
Net Current Assets			138,621		108,190
Total Assets Less Current Liabilities			2,085,260		2,092,705
Creditors					
Amounts falling due in more than one year	14		(490,862)		(515,771)
Net Assets			<u>1,594,398</u>		<u>1,576,934</u>
Funds					
Unrestricted funds					
General fund	15		417,891		407,124
Designated funds	15		788,547		774,113
Restricted funds	15		33,481		33,850
Endowment funds	15		354,479		361,847
			<u>1,594,398</u>		<u>1,576,934</u>

Approved by the Board of Trustees on and signed on their behalf by

)
) **TRUSTEES**
)

The notes on pages 10 to 17 form part of these accounts.

THE GRACEWELL FOSTER TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2023

1 ACCOUNTING POLICIES

Charity Information

The Gracewell Foster Trust is a registered Charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are detailed on page 2.

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency. The Monetary amounts in these statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below:-

1.2 Going concern

At the time of approving the accounts, they have a reasonable expectation that they have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of their charitable objectives.

Restricted funds are required to be retained and accumulated until the year 2028.

Designated funds are set aside to be used on projects and cyclical maintenance of the properties at the discretion of the trustees.

Endowment funds are expendable at the discretion of the trustees.

The purposes and uses of the funds are set out in the notes to the accounts.

1.4 Incoming resources

Contributions from residents, investment income and donations and legacies are accounted for in the period in which the charity is entitled to receipt.

1.5 Resources expended

Expenditure is accounted for on an accruals basis gross of VAT. Support costs comprise those costs directly attributable to the servicing and administering of the charitable activities. Other costs are those costs attributable to carrying out the charitable activities. Where costs cannot be directly attributable to either of these two sources, 90% of the costs are allocated to service and 10% to management costs.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 JANUARY 2023

1 ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided at rates calculated to write off the cost, less residual value, of each asset on a systematic basis over its expected useful life as follows:

Housing properties - 2% straight line
 Fixtures, fittings & equipment - 15% straight line (fixtures etc) and 33.33% straight line (computer equipment)

1.7 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SOFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

1.8 Grants received

Where a grant is received to reduce the cost of a property it is shown as a deduction to its cost on the balance sheet.

1.9 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit is estimated and compared to the carrying amount. Where the carrying amount exceeds the recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried forward at a revalued amount where the impairment loss is a revaluation decrease.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments and original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, they are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of or in the period of the revision and future periods where the revision affects both current and future periods.

2 DONATIONS AND LEGACIES

	2023	2022
	£	£
Other	2,800	8,512
	<u>2,800</u>	<u>8,512</u>

Income from donations and legacies was £2,800 (2022: £8,512) of which £nil (2022: £nil) was attributable to restricted funds.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 JANUARY 2023

3 INVESTMENT INCOME

	2023	2022
	£	£
Dividends - equities	3,087	2,442
Interest – fixed income securities	1,631	14
Interest – deposits	203	203
	<u>4,921</u>	<u>2,659</u>

Income from investments was £4,921 (2022: £2,659) of which £4,921 (2022: £2,659) was attributable to unrestricted funds.

4 INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Contribution from Residents:		
Maintenance contributions	262,991	266,481
Service charges:		
- Home help service	4,685	4,347
- Heating	56,926	48,901
- Alarm	8,942	8,614
Visitors room	415	45
Social Housing Grant released	23,778	23,778
Furlough income	-	4,125
	<u>357,737</u>	<u>356,291</u>

Income from charitable activities was £357,737 (2022: £356,291) of which £333,959 (2022: £332,513) was attributable to unrestricted funds and £23,778 (2022: £23,778) was attributable to the endowment fund.

5 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly	Support costs	Total
	£	£	£
Accommodation for Residents	<u>244,598</u>	<u>100,205</u>	<u>344,803</u>

£28,509 (2022: £28,509) of the above costs were attributable to endowment funds. £115,602 (2022: £146,382) of the above costs were attributable to designated funds. £200,692 (2022: £237,554) of the above costs were attributable to unrestricted funds.

6 ALLOCATION OF SUPPORT COSTS

	Charitable Activities	Total
	£	£
Governance	28,383	26,133
Finance	15,449	15,554
Depreciation	38,050	37,620
Office costs	16,637	14,723
Other	1,686	1,550
	<u>100,205</u>	<u>95,580</u>

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2023

7 GOVERNANCE COSTS

	2023	2022
	£	£
Audit Fee	6,900	6,000
Legal and professional fees	0	0
Executive Officer's salaries and secretarial services	20,739	19,709
Pension contributions	744	425
	<u>28,383</u>	<u>26,134</u>

8 COSTS OF ACTIVITIES UNDERTAKEN DIRECTLY

	2023	2022
	£	£
Salaries	41,010	43,424
Cyclical maintenance	56,574	134,646
Extraordinary repairs	34,587	11,736
Garden maintenance	19,899	21,080
Day to day maintenance	24,442	34,815
Heating costs	44,066	52,076
Rates	7,596	6,951
Residents functions and outings	4,069	1,234
Professional fees	4,287	5,176
Alarm system maintenance	8,168	5,728
	<u>244,598</u>	<u>316,866</u>

9 EMPLOYEES AND TRUSTEES

	2023	2022
	£	£
Wages and salaries	61,652	62,973
Social security costs	-	-
Pension contribution	841	584
	<u>62,493</u>	<u>63,557</u>

No employee received emoluments of £60,000 or more.

The Trustees received no remuneration during the year (2022: £nil).

Expenses amounting to £2,593 was reimbursed to one Trustee for charitable expenses during the year (2022: £220).

The average number of employees was 4 (2022: 4). Calculated on a full time equivalent basis, analysed by function, was:

	NUMBER	NUMBER
Direct Charitable Expenditure	3	3
Management and Administration of Charity	1	1
	<u>4</u>	<u>4</u>

All staff are employed by the Charity

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2023

10 TANGIBLE FIXED ASSETS

	Freehold Housing Properties	Fixtures Fittings & Equipment	Total
	£	£	£
Cost or valuation			
At 31 January 2022	1,776,411	165,934	1,942,345
Additions	-	3,364	3,364
Disposals	-	-	-
At 31 January 2023	<u>1,776,411</u>	<u>169,298</u>	<u>1,945,709</u>
Depreciation			
At 31 January 2022	893,674	139,352	1,033,026
Charge for the year	28,509	9,540	38,049
Depreciation on disposal	-	-	-
At 31 January 2023	<u>922,183</u>	<u>148,892</u>	<u>1,071,075</u>
Net book value			
At 31 January 2023	<u>854,228</u>	<u>20,406</u>	<u>874,634</u>
At 31 January 2022	<u>882,737</u>	<u>26,582</u>	<u>909,319</u>

Up to and including the year ended 23 January 2000, it was the Trust's policy to revalue certain of the freehold properties. In the year ended 23 January 2001 the Trust adopted the transitional provisions of FRS15 Tangible Fixed Assets. Whilst previous valuations have been retained they have not been updated. From year ended 23 January 2001 it is the Trust's policy not to revalue fixed assets.

The cost of depreciable assets held with non-depreciable assets amounts to £1,425,434 (2023: £1,425,434).

The properties are now valued for insurance purposes at £10,553,333 (2022: £9,659,798).

In the opinion of the Trustees, the present open market value of the housing properties, with vacant possession, is greatly in excess of their net book value.

11 INVESTMENTS

	2023	2022
	£	£
Market value at 31 January 2022	1,075,196	934,293
Net unrealised investment (loss)/gain	<u>(3,191)</u>	<u>140,903</u>
Market value as at 31 January 2023	<u>1,072,005</u>	<u>1,075,196</u>
Historical cost as at 31 January 2023	<u>168,435</u>	<u>168,435</u>
UK listed investments are represented by: Investment and unit trusts	<u>1,072,005</u>	<u>1,075,196</u>

The analysis of investments held, between funds, is shown in note 15 of these accounts.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2023

11 INVESTMENTS (continued)

	Market Value	
	2023	2022
	£	£
The following investment represents more than 5% of the Portfolio valuation:		
Charnico Acc Shares	145,375	166,768
Charities official investment fund	274,764	277,789
Charishare Acc shares	270,873	256,814
Schroder investment charity fund	278,110	267,935

Reconciliation of Movement in Unrealised Gains on Investment Assets

	£
Unrealised gains at 31 January 2022	906,761
Net deficit arising on revaluations for the period	(3,191)
Unrealised gains at 31 January 2023	<u>903,570</u>

12 DEBTORS

	2023	2022
	£	£
Other debtors	611	1,003
Prepayments and accrued income	7,859	6,771
	<u>8,470</u>	<u>7,774</u>

13 CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other taxation and social security	-	-
Pension contributions	299	217
Other creditors and accruals	46,493	45,263
Deferred grant income	23,778	23,778
	<u>70,570</u>	<u>69,258</u>

14 CREDITORS: AMOUNTS DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Loan	157,974	159,103
Deferred grant income	332,888	356,666
	<u>490,862</u>	<u>515,769</u>

The loan which is secured on the title deeds of the development at Foster's is repayable by half yearly annuities of £8,307, which will redeem the loan and interest at 9¾% per annum on 31 March 2050.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2023

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund £	Restricted Fund £	Designated Funds £	Endowment Fund £	Total Funds £
Tangible fixed assets	20,406	-	-	854,228	874,634
Investments	-	33,481	969,121	69,403	1,072,005
Current Assets	439,086	-	(180,574)	(49,321)	209,191
Current liabilities	(41,601)	-	-	(28,969)	(70,570)
Long term liabilities	-	-	-	(490,862)	(490,862)
	<u>417,891</u>	<u>33,481</u>	<u>788,547</u>	<u>354,479</u>	<u>1,594,398</u>

16 FUNDS

	At 31 January 2022 £	Incoming Resources £	Outgoing Resources £	Transfers £	Revaluation of investments £	At 31 January 2023 £
UNRESTRICTED FUNDS						
General fund	407,124	341,680	(200,692)	(130,221)	-	417,891
DESIGNATED FUNDS						
- Extraordinary repairs reserve	745,598	-	(22,695)	34,587	(185)	757,305
- Cyclical maintenance reserve	26,807	-	(53,477)	56,574	-	29,904
- Routine maintenance reserve	1,708	-	(39,430)	39,060	-	1,338
	<u>774,113</u>	<u>-</u>	<u>(115,602)</u>	<u>130,221</u>	<u>(185)</u>	<u>788,547</u>
RESTRICTED FUND						
Sinking fund	33,850	-	-	-	(369)	33,481
ENDOWMENT FUND						
- Expendable	361,847	23,778	(28,509)	-	(2,637)	354,479
TOTAL	<u>1,576,934</u>	<u>365,458</u>	<u>(344,803)</u>	<u>-</u>	<u>(3,191)</u>	<u>1,594,398</u>

Unrestricted funds comprise those funds which the trustees are free to use in accordance charitable objects.

Restricted funds – Sinking Fund. The sinking fund represents the holding of 147 accumulation shares in the Charities Official Investment Fund. This is required to be retained and accumulated until the year 2028 to replace the capital value realised by the sale of an orchard in 1968.

Cyclical maintenance reserve represents amounts set aside for future cyclical maintenance.

Extraordinary repairs reserve and routine maintenance reserve. The Charity Commission sanctioned the establishment of the extraordinary repairs reserve in 1978. The transfer has been based on the level recommended by the Almshouse Association and approved by the Charity Commission.

The Endowment Fund represents the original gift to the Charity by Arthur Henry Foster and subsequent gifts to fund capital projects arising since the formation. The Endowment Fund is expendable at the discretion of the trustees. However, as it is mainly represented by the fixed assets held for charitable use, there is no intention of converting any of this fund into income.

**THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2023**

17 HOUSING CORPORATION GRANT

The Housing Corporation Grant is repayable under certain circumstances, primarily following the sale of a property but will normally be restricted to net proceeds of sale.

18 CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided for in the financial statements, was £nil (2022: £NIL).

19 AUDITORS' ETHICAL STANDARDS

In common with many businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

20 CONTINGENT LIABILITY

The trustees have made Birmingham City Council aware of a potential overpayment of housing benefit from the Council. At the date of approval of these financial statements, it has not been possible to confirm either the amount of any potential overpayment or whether any housing benefit will need to be repaid to them.

THE GRACEWELL FOSTER TRUST

England & Wales - Charity number 218796

Accounts

(Registered Charity Number 218796)

THE GRACEWELL FOSTER TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022

**THOMAS
+ YOUNG**

CHARTERED ACCOUNTANTS + REGISTERED AUDITORS

THE GRACEWELL FOSTER TRUST
YEAR ENDED 31 JANUARY 2022

CONTENTS

	PAGE
Trustees' report	1 - 4
Auditors' report	5 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 17

THE GRACEWELL FOSTER TRUST

TRUSTEES' REPORT

YEAR ENDED 31 JANUARY 2022

The Trustees present their report and the audited financial statements of the Trust for the year ended 31 January 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' in preparing the annual report and financial statements of the Trust.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Gracewell Homes Foster Trust ("the Trust") was founded by the Will of Arthur Henry Foster, which was proved on 3 January 1929. The change of name to The Gracewell Foster Trust was registered with the Charity Commissioner on 20 September 2012. The Trust is a registered Trust, no. 218796, and is regulated by a Scheme of the Charity Commissioners sealed on 11 April 1978.

The Trust is affiliated to The Almshouse Association.

TRUSTEES

The Trustees who served during the year and since the year end were as follows:

Mr I Marshall	(Chairman)
Miss D Mattison	
Mr G J Parker	Retired 21 June 2021
Mr E Rodgers	
Mrs N Pozzi	
Mr G Wardle	
Mr P Garland	Retired 21 June 2021
Mrs M Bowles	
Ms L Fryer	Appointed 7 December 2021

EXECUTIVE OFFICER AND PRINCIPAL OFFICE

The Executive Officer is J Galvin

The principal office is:

271 Wake Green Road
Moseley
Birmingham
B13 9XL

ADVISORS DURING THE PERIOD

Auditors: Thomas and Young Limited
Carlton House
266-268 Stratford Road
Shirley
Solihull
West Midlands
B90 3AD

Bankers: HSBC Bank PLC
275 Stratford Road
Shirley
Solihull
West Midlands
B90 3AP

THE GRACEWELL FOSTER TRUST

TRUSTEES' REPORT (continued)

YEAR ENDED 31 JANUARY 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

The day-to-day management of the Trust is carried out by a small staff based at its principal office. The Trustees meet at least six times each year when they consider overall strategy, property and investment matters, risk management, finances and all matters relating to the efficient management of the Trust. Various sub-committees, which report to the Trustees, operate to improve the smooth management of the Trust.

Under the terms of the Scheme referred to above, there shall be a maximum of ten trustees all being co-optative. Prior to the appointment of trustees, they are given a full and detailed outline of the Trust, its objectives and its activities, and the policies which are adopted to ensure the sound performance of the Trust.

The principal objective of the Trust is to ensure the well-being and happiness of all the ladies who are accommodated in the Trust's properties.

The Chairman and other Trustees visit the Trust Office regularly to meet with the Executive Officer and the Scheme Managers to ensure that they are aware of the day to day activities of the Trust.

OBJECTIVES AND ACTIVITIES

The object of the Trust is to provide Almshouse accommodation for single ladies who are over the age of 55 years and of limited financial means.

There are 62 self-contained sheltered housing units in total, comprising 16 bungalows and 12 flats in category 1 and 34 flats (Fosters) in category 2.

In setting their objectives, the Trustees have given careful consideration to the Charity Commission's general advice on public benefit.

The Trust employs a full time Warden/Scheme Manager who, with the aid of a deputy part-time Warden/Scheme Manager and one other part-time employee ensures that the needs of the residents are met, and a congenial environment provided. The Trust also employs a part-time Executive Officer. Maintenance of the fabric of the estate and gardens and grounds is undertaken to a high standard by independent contractors. The Trustees consider themselves fortunate in having such a dedicated team in charge of the day-to-day running of the homes and in the quality of the services provided by their contractors.

The Trust is principally resourced by the weekly maintenance contributions from the residents. In order to finance extraordinary repairs and cyclical maintenance repairs the Trust transfers The Almshouse Association's recommended amounts into designated reserves.

ACHIEVEMENTS AND PERFORMANCE

The Trust maintains a reasonable level of voids, with properties mainly being void during periods of refurbishment or redecoration following a beneficiary leaving her home. It is the policy of the Trustees that, when older properties are vacated, full refurbishment takes place prior to being occupied by a new beneficiary. This naturally takes longer than a simple redecoration. The newer properties are redecorated and undergo a full overhaul prior to re letting. This way the Trust maintains the high quality and high standard of the properties for occupation by its beneficiaries.

The Trust is not involved in fund-raising activities; however, we do apply, from time-to-time, to grant giving charities for assistance with specific projects. Generally, these relate to refurbishment of properties.

The Trustees meet the residents on a regular basis during the year to help satisfy the Trust's objectives of ensuring their needs are met and a congenial environment provided. The Chairman arranges an annual meeting with all the residents to discuss any concerns that they or the Trustees may have.

During the year the Covid pandemic limited the Trust's ability to welcome new residents. This resulted in a higher level of vacant properties than would normally have been expected and restricted use of the facilities by residents. The Scheme Managers and Trustees made every effort to safeguard the residents from the effects of Covid. Safety measures were put in place and all government guidelines complied with.

THE GRACEWELL FOSTER TRUST TRUSTEES' REPORT (continued) YEAR ENDED 31 JANUARY 2022

FINANCIAL REVIEW

The Financial Statements show a deficit for the year, before the revaluation of investments, of £44,983 (2021: surplus £36,907) and the accumulated fund balance at 31 January 2022 was £1,576,934.

The Trust received donations of £8,512 (2021: £1,500) during the year.

The Trustees confirm that investments held by the Trust which are stated at market value, have been acquired in accordance with the powers available to the Trustees. These investments have been reviewed during the year. The Trustees consider that the funds can meet the Trust's obligations.

INVESTMENT POLICY

It is the policy of the Trustees to seek to achieve a balanced return between income and capital over the long term.

The market value of investments held at 31 January 2022 was £1,075,196. Movements in the stock market during the year have resulted in an increase of £140,903 to the cumulative unrealised gains at 31 January 2022.

RESERVES

It is the policy of the Trustees to keep Free Reserves at a level that would meet between 3 and 6 months' expenditure of the Trust. Based on the 2021/22 accounts the band would be £103,000 to £206,222.

At 31 January 2022 unrestricted revenue reserves amounted to £408,833 and balances in the cyclical maintenance and extraordinary repair funds are £26,807 and £745,599 respectively.

At present the Free Reserves amount to £408,833, which is above the target level.

PLANS FOR THE FUTURE

The Trust plans to continue its policy of improving its properties as and when the opportunities arise. The Trust also aims to achieve as near 100% occupation of its properties as possible and maintain a waiting list of suitable candidates.

Various items of expenditure are being considered, or are necessary, for the 2022/23 budget.

FUNDS HELD AS CUSTODIAN TRUSTEE

The Trust does not act as a Custodian Trustee and therefore no such assets are held.

RISK MANAGEMENT

The Trustees have examined the principal strategic and operational risks which the Trust faces and confirm that systems have been established to minimise these risks. The Trustees review these procedures regularly to ensure that they still meet the Trust's needs.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- observe the methods and principles in the Charities SORP 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements 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 Trust will continue in operation.
- select suitable accounting policies and then apply them consistently;

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the Financial Statements comply with the Charities Act 2011 and the provision of the trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE GRACEWELL FOSTER TRUST
TRUSTEES' REPORT (continued)
YEAR ENDED 31 JANUARY 2022**

DISCLOSURE OF INFORMATION TO THE AUDITORS

We, the Trustees of the Trust who held office at the date of approval of these Financial Statements as set out above, each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Trust's auditors are unaware: and
- we have taken all steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

AUDITORS

A resolution proposing that Thomas and Young Limited be re-appointed as auditors of the Trust will be put to the Annual General Meeting.

Approved by the Trustees and signed on their behalf.

J Marshall)
D. A. Matt) TRUSTEES
Date: *2/8/22*)

**THE GRACEWELL FOSTER TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
YEAR ENDED 31 JANUARY 2022**

We have audited the financial statements of The Gracewell Foster Trust for the year ended 31 January 2022, which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2022, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We 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 trustees' annual report, 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.

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.

**THE GRACEWELL FOSTER TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)
YEAR ENDED 31 JANUARY 2022**

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

**THE GRACEWELL FOSTER TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)
YEAR ENDED 31 JANUARY 2022**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Thomas & Young Limited

**Thomas & Young Limited
Statutory Auditor**

Carleton House
266-268 Stratford Road
Shirley
Solihull
West Midlands
B90 3AD

Date: *15 June 2022*

Thomas & Young Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE GRACEWELL FOSTER TRUST
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 JANUARY 2022

Statement of Financial Activities

	Note	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
Income and endowments from:							
Donations and legacies	2	8,512	-	-	-	8,512	1,500
Investment income	3	2,659	-	-	-	2,659	2,553
Income from Charitable activities	4	332,513	-	-	23,778	356,291	342,127
Total income and endowments		<u>343,684</u>	<u>-</u>	<u>-</u>	<u>23,778</u>	<u>367,462</u>	<u>346,180</u>
Expenditure on:							
Charitable activities	5	237,554	-	146,382	28,509	412,445	309,273
Total expenditure		<u>237,554</u>	<u>-</u>	<u>146,382</u>	<u>28,509</u>	<u>412,445</u>	<u>309,273</u>
Net income/(expenditure) before gains on investments		106,130	-	(146,382)	(4,731)	(44,983)	36,907
Net gain on investments		-	4,108	125,557	11,238	140,903	(5,276)
Net income/(expenditure)		<u>106,130</u>	<u>4,108</u>	<u>(20,825)</u>	<u>6,507</u>	<u>95,920</u>	<u>31,631</u>
Transfers between Funds		(85,201)	-	85,201	-	-	-
Net movement of funds		<u>20,929</u>	<u>4,108</u>	<u>64,376</u>	<u>6,507</u>	<u>95,920</u>	<u>31,631</u>
Reconciliation of funds							
Total funds at 31 January 2021		387,904	29,742	708,030	355,340	1,481,016	1,449,385
Total funds at 31 January 2022		<u>408,833</u>	<u>33,850</u>	<u>772,406</u>	<u>361,847</u>	<u>1,576,936</u>	<u>1,481,01</u>

All activities relate to continuing operations.

THE GRACEWELL FOSTER TRUST
BALANCE SHEET
AS AT 31 JANUARY 2022

		2022		2021	
		£	£	£	£
Fixed assets	Note				
Tangible Fixed Assets	10		909,319		945,602
Investments at Market Value	11		1,075,196		934,293
			<u>1,984,515</u>		<u>1,879,895</u>
Current Assets					
Debtors	12	7,774		10,944	
Cash at bank and in hand		169,674		198,654	
		<u>177,448</u>		<u>209,598</u>	
Creditors					
Amounts falling due within one year	13	(69,258)		(67,904)	
Net Current Assets			108,190		141,964
Total Assets Less Current Liabilities			2,092,705		2,021,589
Creditors					
Amounts falling due in more than one year	14		(515,769)		(540,573)
Net Assets			<u>1,576,936</u>		<u>1,481,016</u>
Funds					
Unrestricted funds					
General fund	15		408,833		387,904
Designated funds	15		772,406		708,030
Restricted funds	15		33,850		29,742
Endowment funds	15		361,847		355,340
			<u>1,576,936</u>		<u>1,481,016</u>

Approved by the Board of Trustees on 7/6/22 and signed on their behalf by

J Marshall)

) **TRUSTEES**

D.A. Martin

The notes on pages 10 to 17 form part of these accounts.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

1 ACCOUNTING POLICIES

Charity Information

The Gracewell Foster Trust is a registered Charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are detailed on page 2.

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency. The Monetary amounts in these statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below:-

1.2 Going concern

At the time of approving the accounts, they have a reasonable expectation that they have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of their charitable objectives.

Restricted funds are required to be retained and accumulated until the year 2028.

Designated funds are set aside to be used on projects and cyclical maintenance of the properties at the discretion of the trustees.

Endowment funds are expendable at the discretion of the trustees.

The purposes and uses of the funds are set out in the notes to the accounts.

1.4 Incoming resources

Contributions from residents, investment income and donations and legacies are accounted for in the period in which the charity is entitled to receipt.

1.5 Resources expended

Expenditure is accounted for on an accruals basis gross of VAT. Support costs comprise those costs directly attributable to the servicing and administering of the charitable activities. Other costs are those costs attributable to carrying out the charitable activities. Where costs cannot be directly attributable to either of these two sources, 90% of the costs are allocated to service and 10% to management costs.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 JANUARY 2022

1 ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided at rates calculated to write off the cost, less residual value, of each asset on a systematic basis over its expected useful life as follows:

Housing properties	- 2% straight line
Fixtures, fittings & equipment	- 15% straight line (fixtures etc) and 33.33% straight line (computer equipment)

1.7 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SOFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

1.8 Grants received

Where a grant is received to reduce the cost of a property it is shown as a deduction to its cost on the balance sheet.

1.9 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit is estimated and compared to the carrying amount. Where the carrying amount exceeds the recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried forward at a revalued amount where the impairment loss is a revaluation decrease.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments and original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, they are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of or in the period of the revision and future periods where the revision affects both current and future periods.

2 DONATIONS AND LEGACIES

	2022	2021
	£	£
Other	8,512	1,500
	<u>8,512</u>	<u>1,500</u>

Income from donations and legacies was £8,512 (2021: £1,500) of which £nil (2021: £nil) was attributable to restricted funds.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 JANUARY 2022

3 INVESTMENT INCOME

	2022	2021
	£	£
Dividends - equities	2,442	2,120
Interest – fixed income securities	14	242
Interest – deposits	203	191
	<u>2,659</u>	<u>2,553</u>

Income from investments was £2,659 (2021: £2,553) of which £2,659 (2021: £2,553) was attributable to unrestricted funds.

4 INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Contribution from Residents:		
Maintenance contributions	266,481	255,157
Service charges:		
- Home help service	4,347	4,060
- Heating	48,901	50,116
- Alarm	8,614	8,916
Visitors room	45	100
Social Housing Grant released	23,778	23,778
Furlough income	4,125	-
	<u>356,291</u>	<u>342,127</u>

Income from charitable activities was £356,291 (2021: £342,127) of which £332,513 (2021: £318,349) was attributable to unrestricted funds and £23,778 (2021: £23,778) was attributable to the endowment fund.

5 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly	Support costs	Total
	£	£	£
Accommodation for Residents	<u>316,865</u>	<u>95,580</u>	<u>412,445</u>

£28,509 (2021: £28,509) of the above costs were attributable to endowment funds. £146,382 (2021: £25,570) of the above costs were attributable to designated funds. £237,554 (2021: £255,194) of the above costs were attributable to unrestricted funds.

6 ALLOCATION OF SUPPORT COSTS

	Charitable Activities	Total
	£	£
Governance	26,133	26,133
Finance	15,554	15,554
Depreciation	37,620	37,620
Office costs	14,723	14,723
Other	1,550	1,550
	<u>95,580</u>	<u>95,580</u>

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2022

7 GOVERNANCE COSTS

	2022	2021
	£	£
Audit Fee	6,000	6,000
Legal and professional fees	0	0
Executive Officer's salaries and secretarial services	19,709	17,735
Pension contributions	425	352
	<u>26,134</u>	<u>24,087</u>

8 COSTS OF ACTIVITIES UNDERTAKEN DIRECTLY

	2022	2021
	£	£
Salaries	43,424	48,821
Cyclical maintenance	134,646	13,894
Extraordinary repairs	11,736	11,676
Garden maintenance	21,080	20,618
Day to day maintenance	34,815	46,617
Heating costs	52,076	49,511
Rates	6,951	9,026
Residents functions and outings	1,234	471
Professional fees	5,176	5,258
Alarm system maintenance	5,728	6,728
	<u>316,866</u>	<u>212,620</u>

9 EMPLOYEES AND TRUSTEES

	2022	2021
	£	£
Wages and salaries	62,973	65,266
Social security costs	-	1,137
Pension contribution	584	505
	<u>63,557</u>	<u>66,908</u>

No employee received emoluments of £60,000 or more.

The Trustees received no remuneration during the year (2021: £nil).

Expenses amounting to £220 was reimbursed to one Trustee for charitable expenses during the year (2021: £1,058).

The average number of employees was 4 (2021: 4). Calculated on a full time equivalent basis, analysed by function, was:

	NUMBER	NUMBER
Direct Charitable Expenditure	3	3
Management and Administration of Charity	1	1
	<u>4</u>	<u>4</u>

All staff are employed by the Charity

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2022

10 TANGIBLE FIXED ASSETS

	Freehold Housing Properties £	Fixtures Fittings & Equipment £	Total £
Cost or valuation			
At 31 January 2021	1,776,411	164,596	1,941,007
Additions	-	1,338	1,338
Disposals	-	-	-
At 31 January 2022	<u>1,776,411</u>	<u>165,934</u>	<u>1,942,345</u>
Depreciation			
At 31 January 2021	865,165	130,241	995,406
Charge for the year	28,509	9,111	37,620
Depreciation on disposal	-	-	-
At 31 January 2022	<u>893,674</u>	<u>139,352</u>	<u>1,033,026</u>
Net book value			
At 31 January 2022	<u>882,737</u>	<u>26,582</u>	<u>909,319</u>
At 31 January 2021	<u>911,246</u>	<u>34,355</u>	<u>945,601</u>

Up to and including the year ended 23 January 2000, it was the Trust's policy to revalue certain of the freehold properties. In the year ended 23 January 2001 the Trust adopted the transitional provisions of FRS15 Tangible Fixed Assets. Whilst previous valuations have been retained they have not been updated. From year ended 23 January 2001 it is the Trust's policy not to revalue fixed assets.

The cost of depreciable assets held with non-depreciable assets amounts to £1,425,434 (2021: £1,425,434).

The properties are now valued for insurance purposes at £9,659,798 (2021: £9,176,561).

In the opinion of the Trustees, the present open market value of the housing properties, with vacant possession, is greatly in excess of their net book value.

11 INVESTMENTS

	2022 £	2021 £
Market value at 31 January 2021	934,293	939,569
Net unrealised investment gain/(loss)	140,903	(5,276)
Market value as at 31 January 2022	<u>1,075,196</u>	<u>934,293</u>
Historical cost as at 31 January 2022	<u>168,435</u>	<u>168,435</u>
UK listed investments are represented by: Investment and unit trusts	<u>1,075,196</u>	<u>934,293</u>

The analysis of investments held, between funds, is shown in note 15 of these accounts.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2022

11 INVESTMENTS (continued)

	Market Value	
	2022	2021
	£	£
The following investment represents more than 5% of the Portfolio valuation:		
Charnico Acc Shares	166,768	175,849
Charities official investment fund	277,789	244,071
Charishare Acc shares	256,814	223,538
Schroder investment charity fund	267,935	200,292

Reconciliation of Movement in Unrealised Gains on Investment Assets

	£
Unrealised gains at 31 January 2021	765,858
Net surplus arising on revaluations for the period	140,903
Unrealised gains at 31 January 2022	<u>906,761</u>

12 DEBTORS

	2022	2021
	£	£
Other debtors	1,003	5,120
Prepayments and accrued income	6,771	5,823
	<u>7,774</u>	<u>10,943</u>

13 CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other taxation and social security	-	147
Pension contributions	217	175
Other creditors and accruals	45,263	43,804
Deferred grant income	23,778	23,778
	<u>69,258</u>	<u>67,904</u>

14 CREDITORS: AMOUNTS DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Loan	159,103	160,129
Deferred grant income	356,666	380,444
	<u>515,769</u>	<u>540,573</u>

The loan which is secured on the title deeds of the development at Foster's is repayable by half yearly annuities of £8,307, which will redeem the loan and interest at 9¾% per annum on 31 March 2050.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2022

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund	Restricted Fund	Designated Funds	Endowment Fund	Total Funds
	£	£	£	£	£
Tangible fixed assets	26,582	-	-	882,737	909,319
Investments	-	33,850	969,307	72,039	1,075,196
Current Assets	422,503	-	(196,901)	(48,154)	177,448
Current liabilities	(40,252)	-	-	(29,006)	(69,258)
Long term liabilities	-	-	-	(515,769)	(515,769)
	<u>408,833</u>	<u>33,850</u>	<u>772,406</u>	<u>361,847</u>	<u>1,576,936</u>

16 FUNDS

	At 31 January 2021	Incoming Resources	Outgoing Resources	Transfers	Revaluation of investments	At 31 January 2022
	£	£	£	£	£	£
UNRESTRICTED FUNDS						
General fund	387,904	343,684	(237,554)	(85,201)	-	408,833
	<u>387,904</u>	<u>343,684</u>	<u>(237,554)</u>	<u>(85,201)</u>	<u>-</u>	<u>408,833</u>
DESIGNATED FUNDS						
- Extraordinary repairs reserve	599,454	-	(11,736)	32,324	125,557	745,599
- Cyclical maintenance reserve	108,576	-	(134,646)	52,877	-	26,807
- Fixtures, fittings and computer equipment	-	-	-	-	-	-
	<u>708,030</u>	<u>-</u>	<u>(146,382)</u>	<u>85,201</u>	<u>125,556</u>	<u>772,406</u>
RESTRICTED FUND						
Sinking fund	29,742	-	-	-	4,108	33,850
	<u>29,742</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,108</u>	<u>33,850</u>
ENDOWMENT FUND						
- Expendable	355,340	23,778	(28,509)	-	11,238	361,847
	<u>355,340</u>	<u>23,778</u>	<u>(28,509)</u>	<u>-</u>	<u>11,238</u>	<u>361,847</u>
TOTAL	<u>1,481,016</u>	<u>367,462</u>	<u>(412,445)</u>	<u>-</u>	<u>140,903</u>	<u>1,576,936</u>

Unrestricted funds comprise those funds which the trustees are free to use in accordance charitable objects.

Restricted funds – Sinking Fund. The sinking fund represents the holding of 147 accumulation shares in the Charities Official Investment Fund. This is required to be retained and accumulated until the year 2028 to replace the capital value realised by the sale of an orchard in 1968.

Cyclical maintenance reserve represents amounts set aside for future cyclical maintenance.

Extraordinary repairs reserve. The Charity Commission sanctioned the establishment of the extraordinary repairs reserve in 1978. The transfer has been based on the level recommended by the Almshouse Association and approved by the Charity Commission.

The Endowment Fund represents the original gift to the Charity by Arthur Henry Foster and subsequent gifts to fund capital projects arising since the formation. The Endowment Fund is expendable at the discretion of the trustees. However, as it is mainly represented by the fixed assets held for charitable use, there is no intention of converting any of this fund into income.

THE GRACEWELL FOSTER TRUST
NOTES TO THE FINANCIAL STATEMENT (continued)
YEAR ENDED 31 JANUARY 2022

17 HOUSING CORPORATION GRANT

The Housing Corporation Grant is repayable under certain circumstances, primarily following the sale of a property but will normally be restricted to net proceeds of sale.

18 CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided for in the financial statements, was £nil (2020: £NIL).

19 AUDITORS' ETHICAL STANDARDS

In common with many businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.