Charity number: 263687

THE YERCOMBE (GLOUCESTERSHIRE) TRUST

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5TH APRIL 2023

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THE YERCOMBE (GLOUCESTERSHIRE) TRUST
TRUSTEES' REPORT FOR THE YEAR ENDED 5TH APRIL 2023

The trustees present their annual report and financial statements of the charity for the year ended 5th April 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102. Comparative information is for the year ended 5th April 2022.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The trust was established by the late H. Maxwell Workman for the benefit of the old and needy of Gloucestershire. To this end it utilizes Yercombe Lodge, the settlor's former home, as a residential care home with respite facilities and as a day centre for the elderly and disabled. The trust also makes provision for up to four day care places. There was no change in the intention to provide these services during the year under review, or in the previous year, but see below for the impact of the Covid-19 pandemic.

The charity's main aim is to seek to continue to provide the services as outlined above. In the provision of those services the charity seeks to meet agreed client requirements in accordance with the limits of availability. The aim is client satisfaction within a context of fairness, reliability, and accountability. The charity wishes to conduct all its relationships on a basis of trust, efficiency, and best practice.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the trust's aims and objectives and in planning future activities. In particular, the trustees consider how activities will contribute to the objectives they have set.

The trustees consider that the benefits provided by the operation of the trust outweigh any detriments or harm created.

To achieve its objectives the charity has adopted a series of formal procedures. These are set out in a quality assurance manual. This manual is subject to regular review in order to respond to changing circumstances. Advice is sought from relevant outside bodies as appropriate. In particular, the charity has sought to maintain a good relationship with relevant inspecting authorities. Internal audit is undertaken according to a planned schedule throughout the year to ensure compliance with the procedures set out in the manual.

The trustees are aware of the difficulties created by seeking to provide services in a climate of ever-increasing regulation and restrictions on funding increases. They are also mindful of the need to try to preserve the value of the charity's funds from the effects of inflation.

The charity does not make grants.

The Trust Deed limits the services provided by the charity to those resident in the County of Gloucester. Since the creation of the trust there have been a number of changes in the structure

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT cont.

of local government. The trustees have adopted the view that the geographical area covered should continue to be as originally established. This currently includes Gloucestershire County Council, South Gloucestershire County Council, and a large part of the City of Bristol.

In preparing this report the trustees have reviewed the objectives and activities as established. This review involves more than the consideration of the financial results, although the trustees are aware that the success of the charity depends upon adequate resources.

ACHIEVEMENTS AND PERFORMANCE

As recorded in the trustees' report for the previous year, the Covid 19 pandemic had a severe impact on the operations of the charity. This resulted in a significant loss of income and an increase in costs. It became necessary to utilise reserves and to draw funds from the investment portfolio in order to maintain activities.

The trustees took the view that prior to the onset of the pandemic the range of services provided was in accord with their objectives, and decided to reopen all activities previously offered. Income from charitable activities is shown in note 2 to the accounts. Whilst the trustees are pleased with the level of income generated by the residential home, both long-stay and respite, it has proved difficult to restore day centre and day care income. As a result the trustees have appointed advisors to consider the alternatives open to the trust.

The services as outlined above are provided to self-funded individuals, users funded by local authorities, and occasionally to users funded by other charities. In the past Gloucestershire County Council maintained a 'block' booking of one room in the respite home. This arrangement came to an end on 31st August 2016. A number of service users who had benefited expressed concern about the alternatives to be made for them by the County Council. The trustees decided to offer to continue to accept bookings for these service users, to be paid for at the Council rate, for as long as the service users wish. The Council rate is substantially below the amount charged to privately funded service users. No attempt has been made to quantify the impact of this commitment as it depends upon unknown factors, such as the frequency of visits, life expectancies, and the relative movement of funding rates. In the view of the trustees it was appropriate to enter into this arrangement for the benefit of the individuals concerned as several had been coming to the home for many years.

The trustees take the view that the arrangements with Social Services enable users unable to afford the trust's fees to access the services provided. The trust is not a party to the arrangements made between users and Social Services regarding funding. The trust is committed to equal access to its services restricted only by the terms of the Trust Deed, legislation, the requirements of the regulatory authorities, and the capacity of the facilities.

ACHIEVEMENTS AND PERFORMANCE cont.

The trustees are aware that the services as outlined above are of benefit not just to the service users themselves. In most cases the user has a carer or carers who benefit from the break provided. The trustees do not consider it would be practicable, or cost effective, to seek to quantify this benefit, but take the view that it is significant.

As shown in note 6 to the accounts, the trustees have adopted a policy of revaluation of the freehold property. This took effect at 5th April 2015. A further revaluation would have been due in the year ended 5th April 2021 under the terms of the previous policy. In view of the restrictions on visits to the home the trustees decided that this should be postponed. The property was valued by an independent valuer in September 2022. He provided a report which contained no significant difference from the 2015 valuation. Accordingly, the trustees have decided that no amendment to the figures included in the accounts is required.

As is shown in the Statement of Financial Activities the trust suffered net expenditure of £386,340 (2022: £54,158). Total funds fell to £1,609,588 (2022: £1,995,928). The charity experienced an operational deficit of £260,901 (2022: £249,714).

Legacy income of £1,533 (2022: £Nil) was recognised during the year. This related to the estate of Miss. E.M. Wyatt dec'd. As explained in note 19 to the accounts, the trust has been notified of additional potential legacies. These include the estate of Mrs. F.W.M. Bignell dec'd. The trustees continue their claim against the Executors. Professional fees of £1,226 (2022:£1,586) were incurred as the trust's share of the solicitor's costs associated with the claims.

During the year the trust received unrestricted donations of £3,829 (2022: £1,307). Included within this figure is £2,250 received in memory of Carolyn, the Lady Elwes. The trustees are sad to report that Lady Elwes died in December 2022, after many years as patron of the trust. She will be much missed by the many charities she supported.

Restricted donations of £860 (2022: £Nil) were received. Of these £500 related to the purchase of computer equipment, and £360 to the provision of benefits for residents.

As explained in note 22 to the accounts unrestricted grant income of £1,687 (2022: £32,700) was received.

Total volunteer hours are estimated at 240 (2022: 150). These related primarily to the grounds and woodlands. If these hours were to be valued at the National Living Wage of £10.42 (2022: £9.50) the voluntary effort would represent a value of approximately £2,500 (2022: £1,425). The trustees are grateful to all the volunteers who contributed during the year.

It is the policy of the trustees to delegate the management of the investment portfolio to a

ACHIEVEMENTS AND PERFORMANCE cont.

firm of stockbrokers. They have been granted discretionary powers subject to a statement of policy. This statement seeks to ensure that the funds are properly protected; that the capital is not put at risk and is protected against inflation; and the best income consistent with these objectives is obtained. Within these overall objectives the trustees have set a number of conditions. These conditions include the expressed wish that the portfolio should yield a given net income. The figure set by the trustees is £45,000 (2022: £45,000). As shown in Note 2 to the accounts, dealing with Incoming Resources, net income from the portfolio was £54,384 (2022: £48,156). The trustees take the view that this performance was satisfactory in relation with the objectives set given the circumstances which applied to the stockmarket during the year. In June 2022 the trustees reviewed their investment policy in conjunction with the portfolio manager. As a result of the review the trustees have expressed the wish that the portfolio should yield a net income of 4.50% of the portfolio value, and that the underlying value should be protected from the effects of inflation. As shown in the Statement of Financial Activities, and explained in Note 4, the trust experienced a loss on the portfolio of £190,647 (2022 profit: £108,320). The loss was broadly in line with the movement in the stockmarket during the year.

FINANCIAL REVIEW

In the opinion of the trustees the accounts reflect the financial position of the charity and the financial management policies adopted. A sub-committee has been established to deal with financial and administrative matters. It prepares and monitors the overall business plan and the annual budget. It reviews cashflow on a regular basis. In conjunction with the stockbroker, it monitors the transactions and movements of the investment portfolio. As noted above, modifications to procedures were required in response to Covid-19 guidance.

Details of fixed assets are shown in note 13 to the accounts. All the tangible assets are used for charitable purposes. The cost of freehold property represents the original purchase of Yercombe Lodge and improvements since. In accordance with current accounting practice, the trustees adopted a policy of writing off this cost. As noted above, and as explained in note 6 to the accounts, the trustees adopted a policy of the revaluation of freehold property. Depreciation charges are based upon the revalued amount.

The Trust Deed enables the trustees to apply or invest monies liable to be invested under the Deed in property or investments as the trustees in their absolute discretion think fit. The investment portfolio has been acquired in accordance with these powers. The Deed allows the trustees to spend the income arising but requires the trust capital fund to be maintained. As noted above, the portfolio experienced a fall in value during the year. In response to the needs of operational cashflow it became necessary to withdraw £195,000 (2022: £60,000) from the portfolio. This required the sale of stocks, made under the discretion of the stockbroker. As some of the sales were made of stocks held as part

FINANCIAL REVIEW cont.

of the Endowment Fund, it became necessary to reallocate stocks of equivalent value from unrestricted funds to replace those sold. Further withdrawals of funds have taken place after the year-end.

Note 6 to the financial statements shows the assets and liabilities attributable to the funds by type, and shows the movements on each fund. The Endowment Fund is shown at £1,036,336. Unrestricted Funds amounted to £573,252, but of this only £351,386 is freely available as £221,866 is invested in fixed assets.

The balance of unrestricted funds represents the accumulated general income of the charity. No funds have been designated within these reserves. It is not the policy of the trustees to set aside specific amounts to meet future expenditure. No funds were in deficit at any time during the year.

The circumstances relating to the funding of the day centre are outlined above. The residential home is funded from fees charged to service users. These include amounts charged both to private service users and public providers. The expenditure incurred in operating Yercombe Lodge relates to all these activities. The apportionment of expenses between the different activities has always been difficult. In view of the impact of the Covid-19 pandemic, the trustees consider that no apportionment could yield meaningful results for budgeting purposes.

As noted above, the investment portfolio is invested under an agreement with a firm of stockbrokers. This agreement includes a statement of policy specified by the trustees which includes a number of conditions. These include a condition that the trustees do not wish to invest in companies which manufacture tobacco products. They also include conditions that the portfolio should normally be invested in United Kingdom equities and fixed interest stocks quoted on the stock exchange, and that those equity stocks should normally be companies within the FTSE 100 list. There were no changes in these policies during the year, or in the previous year. As noted above, subsequent to the year end the trustees adopted a revised formulation of the investment policy.

As shown in note 7 to the accounts, no trustee received any remuneration during the year. All gave their time voluntarily, and, in the view of the trustees, received no private benefit from the charity.

The trustees are concerned by the level of the operational deficits experienced, and expected. They recognise that the drain on resources poses a threat to the future. Despite the continuing uncertainty, the trustees consider that the financial position of the trust remains strong. Total funds of £1,609,588 (2022: £1,995,928), as shown on the Balance Sheet, enable the trust to retain control over future strategy.

RISK MANAGEMENT

The trustees acknowledge their responsibility to make a statement that they have regularly reviewed and assessed the risks faced by the charity in all areas of its work, and have planned for the management of those risks. The processes adopted are based upon the guidance issued by the Charity Commission for England and Wales, CC26. They involve the assessment of the issues raised in the context of governance, management, operations, financial circumstances, environmental and external factors, and compliance with applicable laws and regulations. The trustees seek to apply what they consider to be a prudent approach in the management of potential risks. The aim is to manage risk in such a way as enables the trustees to achieve their objectives, as noted above, and to safeguard the assets of the trust.

Risks are identified by staff or trustees, and are reviewed in relation to established policies and procedures within the framework of the financial and development plan. Amendments are made as appropriate, and are included within the operational manual. The trustees have reviewed the major risks identified, and to the best of their belief have established control systems to manage those risks. In common with many similar operations and businesses the general level of economic uncertainty presents a significant challenge. As noted above, the consequences of the changes in the provision of adult social care also create a level of uncertainty which is beyond the control of the trust. The trustees also acknowledge that there may be risks which are unknown or which are presently judged not to be significant but later prove to be significant.

STATEMENT OF POLICY ON RESERVES

It is the policy of the trustees to hold cash deposits as a reserve when circumstances allow. As shown in note 16 to the accounts, as at 5th April 2023 the trust held £6,610 (2022: £10,590) in deposit accounts. These sums are available with no restrictions on the ability to withdraw the funds.

It is not the policy of the trustees to set aside designated amounts for use in future periods.

FUNDRAISING

During the year costs of £616 (2022: £Nil) were incurred in fundraising activities. Income from from these events was £2,895 (2022: £Nil). They consisted of a concert given by Dursley Male Voice Choir at St. Cyr's Church Stinchcombe, and a quiz night held at Dursley Rugby Club. The trustees are grateful to all involved in organising these events.

PLANS FOR THE FUTURE

It is a requirement of the regulatory authorities that the trust is able to demonstrate that it is able to continue in operation in order to provide service users with security and continuity.

PLANS FOR THE FUTURE cont.

It has been the practice to prepare a business plan on an annual basis. In view of the continuing impact of the Covid-19 pandemic, and the general economic uncertainty, the trustees take the view that a similar business plan would not be meaningful. Instead, they have based their operational decisions upon the annual budgets and quarterly management accounts.

The trustees consider that demand for the services traditionally provided at Yercombe Lodge remains. It is their intention to maintain all the services operated prior to the pandemic, but they appreciate that it remains difficult to rebuild day care and the day centre to their former levels.

As part of the procedures adopted to achieve its objectives for many years the trust has adhered formal statements made available to service users, staff, and others as required. These include an ongoing safeguarding policy. The trustees wish to confirm their commitment to and the maintenance of such a policy as part of their planning for the future.

As part of the response to the financial pressures created by the pandemic, the trustees decided to limit capital expenditure to that considered to be essential. They recognise that major items of equipment need to be replaced in order to maintain the level of service they wish to provide. Subsequent to the year end £1,902 has been spent on a replacement table-top oven for the kitchen. The trustees hope to be able to replace a second bath at a likely cost of £12,000. There are various other projects, including improvements to the grounds, replacement windows, and additional kitchen equipment, which the trustees would like to undertake when funds become available.

As noted above, the trustees appointed outside advisors to consider options for the future of the trust and its activities. At the date the accounts were approved no decisions had been made regarding any proposals put forward. Fees of £3,000 (2022:£Nil) are included in the accounts under the heading of Governance costs. Subsequent to the year end additional fees of £6,600 were incurred.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trust was established by a Trust Deed dated 10th February 1972. It is governed under the terms of the Deed by the trustees. The property of the trust is vested in the trustees. The Trust Deed limits the total number of trustees to twenty. New trustees are invited to join and are appointed by election at a meeting of trustees.

The trustees have established a section within the Yercombe Lodge Quality Manual dealing with the induction and training of new trustees. This is intended to allow new trustees to familiarise themselves with the premises, organisation, activities, systems, and ethos of the charity, and to ensure that they are competent, knowledgeable, and well-informed as to their duties. This process involves a tour of the premises, the passing

STRUCTURE, GOVERNANCE AND MANAGEMENT cont.

of relevant documentation, attendance at a trustees meeting, direct discussion with existing trustees, and the completion of DBS checks.

The charity has adopted an organisational structure based upon the allocation of areas of responsibility to sub-committees. Each sub-committee is chaired by a portfolio holder.

The portfolio holders are as follows:
Administration and finance - Mr. J.C. Drury.
Property - Mr. P.S. Gilbert
Operational - Dr. M.J. McDowell.
Fundraising - Dr. P.J. Sprague.

The membership of the committees is as follows:

Administration and Finance - Mr. J.C. Drury, Dr. P.J. Sprague.
Property - Mr. P.S. Gilbert.
Operational - Dr. M.J. McDowell, Mrs. J.M. Thomas, Ms. C. Kay.
Fundraising - Dr. P.J. Sprague, Mrs. J.M. Thomas, Ms. C. Kay.

The property sub-committee is supplemented by volunteers, one of which has taken responsibility for dealing with the woodlands and grounds. Each committee operates with a standardised agenda, and makes recommendations to the meetings of trustees as appropriate.

The freehold property is registered with the Land Registry in the names of a committee of trustees acting on behalf of the body of trustees. The committee consists of Mr.J.C. Drury, Dr.M.J. McDowell, Mr.P.S. Gilbert, Dr.P.J. Sprague and Dr. A.J. Keith.

The routine administration of Yercombe Lodge is delegated to the manager of the home. She reports regularly to the various portfolio holders. The trustees meet monthly, except that no meetings are held in August or December.

REFERENCE AND ADMINISTRATIVE INFORMATION

NAME
The registered name of the charity is The Yercombe (Gloucestershire) Trust.
It is also known as Yercombe Lodge.

REGISTRATION NUMBER
The charity is registered with the Charity Commission for England and Wales.
The registration number is 263687.

REFERENCE AND ADMINISTRATIVE INFORMATION cont.

REGISTERED ADDRESS
Yercombe Lodge, Stinchcombe, Dursley, Glos. GL11 6AS

TRUSTEES
Trustees at the date that the report was approved:
Mr. J.C. Drury
Dr. M. J. McDowell
Mr. P.S. Gilbert
Dr. P.J. Sprague
Mrs. J.M. Thomas

Dr. A.J. Keith also served during the year. He resigned on 7th December 2022.
Mr. V.H. Jotcham also served during the year. He died on 25th January 2023.

MANAGEMENT STAFF
The trustees delegate day to day management of the charity to the following senior staff:

Manager - Ms. C. Kay
Deputy manager - Mrs. T.J. Brinkworth.

The service contracts and remuneration of senior staff are negotiated by the trustees with the individuals concerned.

PRINCIPAL BANKERS
Lloyds Bank - 12 Rowcroft, Stroud, Glos. GL5 3BD

STOCKBROKERS
J.M. Finn & Co Ltd. - 25 Copthall Avenue, London, EC2R 7AH

INDEPENDENT EXAMINER
Josh Kingston, ACA
Burton Sweet Limited - The Clock Tower, Farleigh Court, Old Western Road,
Flax Bourton, Bristol BS48 1UR

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees are responsible for preparing a trustees' annual report and 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

1.) select suitable accounting policies and then apply them consistently;
2.) observe the methods and principles in the applicable Charities SORP;
3.) make judgements and estimates that are reasonable and prudent;
4.) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
5.) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on the Jan 03 2024
and signed on their behalf:

J.C. Drury

J.C. Drury
Trustee

THE YERCOMBE (GLOUCESTERSHIRE) TRUST
INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the trustees of The Yercombe (Gloucestershire) Trust on the accounts for the year ended 5th April 2023, Charity number 263687, set out on pages 12 to 34

I report to the trustees on my examination of the accounts of the above charity ("the trust") for the year 5th April 2023.

Responsibilities and basis of report
As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement
The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a member of the Institute of Chartered Accountants in England & Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

* the accounting records were not kept in accordance with section 130 of the Charities Act; or
* the accounts did not accord with the accounting records; or
* the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: Joshua Kingston **Date:** Jan 03 2024

Name: Josh Kingston, ACA

Address: Burton Sweet Limited
The Clock Tower,
Farleigh Court,
Old Weston Road,
Flax Bourton,
Bristol,
BS48 1UR

THE YERCOMBE (GLOUCESTERSHIRE) TRUST
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 5TH APRIL 2023

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	Prior year total funds £
Income from:	2					
Donations and legacies		5,362	860	-	6,222	1,307
Grants received	22	1,687	-	-	1,687	37,769
Charitable activities		484,241	-	-	484,241	401,052
Investments		49,525	-	4,879	54,404	48,160
Other		2,895	-	-	2,895	-
Total		543,710	860	4,879	549,449	488,288
Expenditure on:	3					
Raising funds		2,590	-	2,500	5,090	4,976
Charitable activities		719,664	-	9,822	729,486	639,244
Other		10,566	-	-	10,566	6,546
Total		732,820	-	12,322	745,142	650,766
Net gains/(losses) on investments	4	(87,138)	-	(103,509)	(190,647)	108,320
Net income/(expenditure)		(276,248)	860	(110,952)	(386,340)	(54,158)
Transfers between funds	5	847	(860)	13	-	-
Net movement in funds	12	(275,401)	-	(110,939)	(386,340)	(54,158)
Reconciliation of funds:	6					
Total funds brought forward as restated	23	848,653	-	1,147,275	1,995,928	2,050,086
Total funds carried forward		573,252	-	1,036,336	1,609,588	1,995,928

THE YERCOMBE (GLOUCESTERSHIRE) TRUST
BALANCE SHEET AT 5TH APRIL 2023

	Notes	Total Funds £	Prior year Funds £ Restated
	23		
Fixed assets:			
Tangible assets	13	635,080	632,112
Investments	14	922,672	1,307,912
Total fixed assets		1,557,752	1,940,024
Current assets:			
Debtors	15	50,893	32,302
Cash at bank and in hand	16	71,501	83,183
Total current assets		122,394	115,485
Liabilities:			
Creditors: Amounts falling due within one year	17	70,558	59,581
Net current assets		51,836	55,904
Total net assets		1,609,588	1,995,928

The funds of the charity:	6			
Endowment funds				
General reserve	733,210		836,932	
Revaluation reserve	303,126	1,036,336	310,343	1,147,275
Restricted income funds		-		-
Unrestricted funds				
General reserve	434,181		706,271	
Revaluation reserve	139,071	573,252	142,382	848,653
Total charity funds		1,609,588		1,995,928

Approved by the trustees on the Jan 03 2024
and signed on their behalf:

J.C. Drury
Trustee

Dr. P.J. Sprague
Trustee

THE YERCOMBE (GLOUCESTERSHIRE) TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 5TH APRIL 2023

	Notes	Total funds £	Prior year funds £
Cash flows from operating activities:			
Net cash used in operating activities	24	(234,116)	(167,715)
Cash flows from investing activities:			
Dividends and interest from investments	2	54,404	48,160
Proceeds from sale of investments		217,931	62,387
Purchase of investments	14	(21,896)	-
Purchase of fixed assets	13	(26,583)	(782)
Net cash provided by investing activities		223,856	109,765
Change in cash and cash equivalents in the reporting period		(10,260)	(57,950)
Cash and cash equivalents at the beginning of the reporting period		92,969	150,919
Cash and cash equivalents at the end of the reporting period		82,709	92,969
Reconciliation of cash and cash equivalents with balance sheet:			
Cash at bank and in hand per balance sheet	16	71,501	83,183
Day centre cash balances	18	(50)	(30)
		71,451	83,153
Brokers deposit account	14	11,258	9,816
		82,709	92,969

Day centre cash balances are held for the benefit of service users and are not the property of the trust.

The brokers deposit account consists of funds generated by transactions in stocks held in the investment portfolio yet to be reinvested. As shown in note 14, at 5th April 2023 £9 was part of the endowment fund (2022: £6,783), and was unavailable for use to further charitable activities.

The trust undertook no financing activities in either reporting period.

THE YERCOMBE (GLOUCESTERSHIRE) TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5TH APRIL 2023

1. Accounting policies

The Basis of the Preparation of Accounts

Accounting policies are the principles, bases, conventions, practices and rules by which transactions and items are recognised, measured and presented in the accounts. They are supplemented by estimation techniques where judgement is required to establish the monetary amounts of assets, liabilities, gains and losses included in the accounts.

The accounts of the charity are 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 FRS102, applicable Accounting Standards, and The Charities (Accounts and Reports) Regulations 2008, issued under the provisions of the Charities Act 2011.

The charity is a Public Benefit Entity as defined by FRS102. The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The accounts have been prepared on the basis that the charity is a going concern. They have been prepared under the historic cost basis of accounting except for investments, which have been included at market value, and freehold property which is included at a revalued amount.

The accounts 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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.

Income

Income generated from the provision of services at Yercombe Lodge is accounted for on the accruals basis. Resources received in advance of the provision of a service by the charity - for example, deposits received to secure a booking in the respite home - are deferred until the service has been provided.

Donations received for the general purposes of the charity are included as unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds where those wishes are legally binding on the trustees. Donations and gifts under the

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1. Accounting policies cont.

Gift Aid scheme, together with the associated income tax recovery, are recognised as income when the donation is received. Funds collected are included gross.

The charity receives the benefit of work carried out by volunteers. No monetary value is placed on this, although the operations of the charity would be difficult without such work.

Gifts of assets for use by the charity are recognised when the assets is received. If details of the value of the asset are not known the trustees will include it at an estimated figure based upon appropriate comparative information, such as price lists etc. Such assets are capitalised under the heading of fixed assets if their nature and value falls within the charity's normal criteria for the capitalisation of assets, as outlined below.

Gifts of assets donated for resale are included at the amount realised on disposal, or at an estimated value if the asset is still held at the year end.

Legacies are accounted for when notification has been received from personal representatives, except no amount is included when there is uncertainty as to entitlement, receipt or measurability.

Revenue grants are credited to the Statement of Financial Activities as recognised, unless they relate to a specific period, when they are placed in deferred income funds until allocated. Grants for capital projects are held within restricted funds until the expenditure to which they relate is incurred.

The Trust Deed requires the capital of the endowment fund to be preserved but permits the income arising from the fund to be spent. Accordingly, the incoming resources arising from the investment of assets within the endowment fund are included within unrestricted funds.

As explained in note 18 to the accounts, the trust holds monies on behalf of the day centre users. As these funds do not belong to the charity they are not recognised as income. The expenditure made from these funds is not included as expenditure of the charity. In cases where the day centre users have donated funds to the charity such donations are recognised as income in accordance with the policy as outlined above.

Expenditure
Expenditure is accounted for on an accruals basis. Expenses are included when the trustees recognise that a liability exists to a third party. A liability will arise when the charity is under an obligation to make a transfer of value to a third party as a result of past transactions or events.

1. Accounting policies cont.

In the case of on-going contracts with Gloucestershire Social Services for the provision of services, costs are included in the Statement of Financial Activities on the accruals basis, no provision is made for any costs which might arise should the contracts be terminated or not be renewed.

The SORP requires the allocation of resources expended to relevant activity categories and to material activities or programmes within each category. Costs directly incurred in relation to an activity are allocated to that activity. Costs which involve more than one activity are attributed on the basis that the trustees consider most reasonable. In view of the nature of the charity's operations - which involve a single building with shared services and overheads - the majority of costs have to be allocated in this way. There is inevitably a high degree of estimation and approximation. In the opinion of the trustees the costs of maintaining records sufficient to enable a more accurate allocation would be substantial and would outweigh any benefits.

Despite the provision within the Trust Deed that the income arising from the endowment fund can be treated as unrestricted income, and not added to the fund, the SORP requires costs arising in relation to the fund to be charged against it. Investment management costs are allocated between funds on the basis of their relative values at the end of the year. A charge for depreciation on fixed assets held within the endowment fund is included within resources expended upon Charitable Activities on the basis outlined in the Asset Policy Note included below.

In the opinion of the trustees support costs are only material in relation to the category of resources expended upon Charitable Activities. Accordingly, no support costs are allocated to other categories.

The basis of allocation of costs to activities within the category Charitable Activities was followed by the trustees for many years for budgeting purposes. This basis was followed for the year ended 5th April 2020, but with the onset of Covid-19, which required the suspension of activities associated with day care and the day centre, the trustees took the view that the allocation of costs in this way would not be meaningful. The trustees continue to hold this view as activities have not resumed at pre-covid levels. Accordingly, no such analysis is presented in the accounts.

Other expenditure includes the costs associated with the governance arrangements of the charity which relate to the general running of the charity. They include costs associated with the strategic management of the charity's activities.

1. Accounting policies cont.

Fixed Assets

The trustees have adopted a policy of revaluation relating to freehold property. This took effect from 5th April 2015, and will involve valuation every five years.
Other fixed assets acquired for the charity's own use are included at cost. It is the policy of the trustees not to capitalise items costing less than £500 (previously £300) unless they form part of of a larger project where the total expenditure on the project exceeds £500 (£300).

The charity occupies the former home of the Settlor. It is the view of the trustees that the terms of the Trust Deed do not make the property inalienable as defined by the SORP. Yercombe Lodge has extensive grounds which include woodlands. Whilst the trustees are aware of their responsibilities in relation to these grounds, it is their opinion that they do not constitute heritage assets as defined by the SORP, as the assets are not central to the purposes of the charity as set out in the Trust Deed.

No depreciation was provided in relation to the freehold property prior to the year ended 5th April 1999. The trustees were of the opinion that the residual value would be in excess of cost as shown. This policy was amended in accordance with current accounting practice. Depreciation at a rate of 2% of cost per annum has been included. Records are not available which would enable the trustees to accurately evaluate the impact on the accounts had this policy been applied in earlier years. Where improvements to freehold property include items of mechanical equipment depreciation at a rate of 20% is applied to the cost of that equipment. No depreciation is provided on assets in the course of construction.

Depreciation is provided on fixtures, fittings and equipment at 20% per annum, except costs associated with the new space heating boilers have a charge of 10% per annum. With effect from 6th April 2017 this is charged on a straight-line basis, having formerly been on a reducing balance basis. The remaining cost of assets acquired prior to 6th April 2012 was written-off at 5th April 2017. Depreciation is charged on the cost of additions in the first quarterly accounts following acquisition.

It is the policy of the trustees that the property sub-committee review the condition of fixed assets on a regular basis for possible deterioration. A programme of necessary works is maintained. The costs of repair and maintenance are included in the Statement of Financial Activities.

Investments are included at market value at the balance sheet date. Gains and losses on revaluation are recognised in the Statement of Financial Activities as unrealised gains and losses at the balance sheet date. Realised gains and losses are recognised at the date that the investment was sold.

1. Accounting policies cont.

The charity holds items for resale. These include tea-towels and postcards. It is not the policy of the trustees to include such items in the balance sheet as stocks as their value is likely to be immaterial in relation to the accounts. Items of craftwork held in the day centre for sale to the public are not included as they are not the property of the charity.

Funds structure

The endowment fund represents permanent capital as established under the terms of the Trust Deed. The trustees have no power to convert these funds into income and apply them as such. The fund is invested in assets. These assets can be exchanged provided that their place in the fund is taken by the assets taken in exchange. Depreciation and other losses arising in relation to the assets held in the fund are charged to the fund, as are other costs - such as investment management costs - when they relate to assets held in the fund.

The restricted income funds are funds subject to specific trusts within the wider purposes of the charity. The specific trusts are generally created by the expression of a particular purpose by the donor of the funds. The trustees are then required to expend those funds for that purpose.

The unrestricted income fund consists of funds which are expendable at the discretion of the trustees in furtherance of the charity's objects. It is not the policy of the trustees to designate particular amounts of unrestricted income to specific purposes.

The Trust Deed grants the trustees a power of accumulation whereby they can augment the endowment fund from income funds. Prior to the SORP it was not always the policy of the trustees to use this power in relation to improvements to freehold property. Records do not exist which demonstrate beyond doubt the history of the expenditure on the property, or the reasons for previous transfers to the endowment fund. The SORP makes it clear that in circumstances where income funds are used to erect, extend, or improve a building which is an endowment asset those income funds will normally become permanent endowment. Accordingly, the policy has been adopted to transfer amounts equal to the cost of any such improvements to freehold property from income to endowment funds. The absence of records does not allow the trustees to quantify the impact on the accounts in previous years had this policy applied.

Other transfers between funds may arise. Each transfer depends upon its own circumstances in relation to the requirements of the SORP. Transfers have taken place from restricted income funds to unrestricted income funds of the value of fixed assets when the asset has been purchased from a restricted donation but the asset is held for a general purpose. It is the policy of the charity to seek grants and donations to purchase assets to be held for general purposes only.

1. Accounting policies cont.

Pension costs

The trust is required to automatically enrol certain workers into a pension scheme and contribute towards it. Contributions are accounted for on an accruals basis. The trust contributes the minimum amount required by law.

Taxation

As a registered charity, the trust is generally exempt from the burden of Income Tax and from Capital Gains Tax, but not from Value Added Tax. Irrecoverable VAT is included in the cost of the item to which it relates.

THE YERCOMBE (GLOUCESTERSHIRE) TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5TH APRIL 2023

2. Income from:	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	Prior Year Total funds £
Donations and legacies					
Donations	3,829	860	-	4,689	1,307
Legacies	1,533	-	-	1,533	-
	5,362	860	-	6,222	1,307
Grants received					
Grants received	1,687	-	-	1,687	37,769
Charitable activities					
Fees from residents	434,690	-	-	434,690	374,122
Day care	2,326	-	-	2,326	-
Income from residential home	437,016	-	-	437,016	374,122
Day centre	47,225	-	-	47,225	26,930
	484,241	-	-	484,241	401,052
Investments					
Fixed interest	3,494	-	-	3,494	3,637
Dividends	45,913	-	4,879	50,792	44,519
Interest on portfolio	98	-	-	98	-
Portfolio investment income	49,505	-	4,879	54,384	48,156
Short-term interest	20	-	-	20	4
	49,525	-	4,879	54,404	48,160
Other					
Fundraising events	2,895	-	-	2,895	-
	2,895	-	-	2,895	-
Total income	543,710	860	4,879	549,449	488,288

Prior year total funds include £5,069 grant income which were restricted funds.

3. Expenditure on:	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	Prior Year Total funds £
Raising funds					
Costs of generating funds	616	-	-	616	-
Investment management costs	1,974	-	2,500	4,474	4,976
	2,590	-	2,500	5,090	4,976
Charitable activities					
Direct variable costs:					
Staff costs	559,483	-	-	559,483	484,003
Food	32,958	-	-	32,958	27,735
Consumables	7,041	-	-	7,041	6,109
Transport	-	-	-	-	(7,308)
	599,482	-	-	599,482	510,539
Property and overhead expenses:					
Water	1,892	-	-	1,892	(1,287)
Light and heat	23,155	-	-	23,155	18,375
Insurance	12,337	-	-	12,337	10,279
Telephone	2,262	-	-	2,262	1,962
Repairs and maintenance	44,965	-	-	44,965	38,004
Printing, stationery and postage	3,499	-	-	3,499	2,363
Staff travel expenses	165	-	-	165	92
Training costs	3,496	-	-	3,496	1,320
Recruitment expenses	1,839	-	-	1,839	8,689
Publicity	100	-	-	100	1,284
Sundry expenses	6,154	-	-	6,154	5,685
Council Tax payable	(5,496)	-	-	(5,496)	5,496
Depreciation	13,793	-	9,822	23,615	27,019
	108,161	-	9,822	117,983	119,281
Support costs:					
Software expenses	4,634	-	-	4,634	4,304
Bank charges	806	-	-	806	910
Professional fees	6,559	-	-	6,559	4,210
Sundry items	22	-	-	22	-
	12,021	-	-	12,021	9,424
	719,664		9,822	729,486	639,244

The prior year cost of investment management consists of £2,239 unrestricted funds and £2,737 endowment funds. The depreciation charge was £17,197 unrestricted funds and £9,822 endowment funds.

3. Expenditure on: cont.

Prior year staff costs consist of £478,934 unrestricted funds and £5,069 restricted funds.

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	Prior Year Total funds £
Other					
Independent examination/audit	5,440	-	-	5,440	4,960
Professional fees	5,126	-	-	5,126	1,586
	10,566	-	-	10,566	6,546
Total expenditure	732,820	0	12,322	745,142	650,766

4. Net gains/(losses) on investments

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	Prior Year Total funds £
Profit/(loss) on disposal	(18,114)	-	(7,442)	(25,556)	32,189
Revaluation of investments	(69,024)	-	(96,067)	(165,091)	76,131
	(87,138)	-	(103,509)	(190,647)	108,320

5. Transfers between funds

During the year £195,000 (2022: £60,000) was withdrawn from the investment portfolio for cashflow purposes. Of this sum, £129,572 (2022: £60,000) was raised by the sale of stocks held within the Endowment Fund. In order to maintain the value of that fund stocks of an equivalent value were transferred from Unrestricted Funds. In both years the stocks transferred exceeded the cash drawn by a small amount, 2023 £13 (2022: £20), representing a net increase in the Endowment Fund.

During the year £860 (2022: £Nil) was transferred from restricted to unrestricted funds. This amount includes a donation of £500 received for the purchase of computer equipment and £360 received for the welfare of residents.

6. Reconciliation of funds:

Endowment funds:
The endowment fund represents the trust capital account. It arises from the original donations made by the Settlor, from various transfers from income funds, and from transactions shown in the Statement of Financial Activities, including movements in unrealised reserves.

The unrestricted income fund represents the accumulated general income of the trust, including unrealised reserves.

6. Reconciliation of funds: cont.

Endowment funds:	General Reserves £	Revaluation Reserve £	Total £	Prior Year Total funds £ Restated
Fund balances brought forward	836,932	310,343	1,147,275	1,089,377
Profit/(loss) on portfolio disposals - note 4	(7,442)	-	(7,442)	31,606
Movement in unrealised reserve - note 4	(96,067)	-	(96,067)	38,831
Income per SOFA	4,879	-	4,879	-
Net expenditure per SOFA	(12,322)	-	(12,322)	(12,559)
Transfer of excess depreciation on revalued assets	7,217	(7,217)	-	-
Transfer from unrestricted funds - note 5	13	-	13	20
Fund balances carried forward	733,210	303,126	1,036,336	1,147,275

Restricted income funds:	Total £	Prior Year Total funds £
Fund balances brought forward	-	-
Donation received during year	860	-
Grants recognised during year - note 22	-	5,069
Provision for expenditure recognised - note 22	-	(5,069)
	860	-
Transfer between funds	(860)	-
Fund balances carried forward	-	-

Unrestricted funds:	General Reserves £	Revaluation Reserve £	Total £	Prior Year Total funds £ Restated
Fund balances brought forward	706,271	142,382	848,653	960,709
Profit/(loss) on portfolio disposals - note 4	(18,114)	-	(18,114)	583
Movement in unrealised reserve - note 4	(69,024)	-	(69,024)	37,300
Net income per SOFA	(189,110)	-	(189,110)	(149,919)
Transfer of excess depreciation on revalued assets	3,311	(3,311)	-	-
Transfer from restricted funds - note 5	860	-	860	-
Transfer to Endowment fund - note 5	(13)	-	(13)	(20)
	434,181	139,071	573,252	848,653

6. Reconciliation of funds: cont.

The freehold property was valued on 17th March 2015, the figure being incorporated into the accounts with effect from 5th April 2015. The valuation was carried out under instructions given under Section 36 of the Charities (Qualified Surveyors Reports) Regulations 1992, and was prepared by C.J. Soane FRICS, a member of Ash & Co CS LLP. The present day existing use value was given as approximately £700,000. Accordingly, this figure was used by the trustees under the policy of revaluation. Should this policy not have been adopted the net book value of the freehold property would have been £173,579. The trustees obtained a further valuation in September 2022. The results were largely unchanged from the 2015 valuation and the trustees have taken the view that no adjustment to the figures included in the accounts is justified.

The revaluation reserve arising was credited to funds in the proportion that the property is held within those funds. The gain arose in the accounts for the year ended 5th April 2015 as follows:

Freehold land and buildings:	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Net book value prior to revaluation	54,594	-	118,985	173,579
Revaluation reserve	165,559	-	360,862	526,421
Existing use value 5th April 2015	220,153	-	479,847	700,000

The funds are represented by:	Unrestricted funds £	Restricted funds £	Endowment funds £	Total £
Tangible fixed assets - note 13	221,866	-	413,214	635,080
Investments - note 14	299,550	-	623,122	922,672
Net current assets	51,836	-	-	51,836
	573,252	-	1,036,336	1,609,588

The analysis of funds for the previous year, as restated, are shown overleaf:

6. Reconciliation of funds: cont.

Year Ended 5th April 2022:	Unrestricted funds £ Restated	Restricted funds £	Endowment funds £ Restated	Total £
Tangible fixed assets - note 13	209,075	-	423,037	632,112
Investments - note 14	583,674	-	724,238	1,307,912
Net current assets	55,904	-	-	55,904
	848,653	-	1,147,275	1,995,928

7. Trustee remuneration

No remuneration is paid to the trustees. (2022: £Nil).

8. Trustee expenses

No expenses were paid either to or on behalf of trustees during the year. (2022: £Nil).

9. Staff costs:	2023 £	2022 £
Wages and salaries	467,517	364,799
Social security costs	27,777	17,415
Employer's contribution to defined contribution pension scheme	7,633	5,089
	502,927	387,303
Staff agency costs	56,556	96,400
Total staff costs	559,483	483,703

No employee had emoluments (including benefits) in excess of £60,000 (2022: None).

The average number of employees during the year was 37 (2022: 30). This figure includes part-time employees. It is estimated that the average full time equivalent employees was 20 (2022: 16). It is estimated that 12 full time equivalents were employed in the respite home (2022: 9), 1.5 in the day centre (2022: 2), and 7.5 in administration and other areas (2022: 5). Available staff are redeployed to fit requirements in order to minimise the need for agency staff. All employees in both years were engaged in the operation of Yercombe Lodge.

9. Staff costs cont.

Agency staff are used as required on a shift by shift basis when employed staff are not available. The trust obtains staff through a number of agencies.

The trust makes use of the National Employment Savings Trust (NEST). In both years contributions were made at a rate of 3% of the qualifying earnings of those employees within the scheme.

10. Amounts payable to Independent Examiner:	2023	2022
	£	£
Cost of independent examination	2,100	-
Cost of statutory audit	-	4,960
	2,100	4,960

Although there was no statutory requirement, the trustees chose to subject the accounts for the year ended 5th April 2022 to audit under the provisions of the Charities Act 2011. In addition to the costs of the audit, in 2022 £360 was paid to the auditor for financial advice.

11. Ex gratia payments:

During the year the charity made no ex gratia payments as defined by the Charity Commission in guidance CC7. (2022: £Nil). Payments to staff for long service, or on retirement, are considered to be in the interests of the charity and are included as expenditure of funds for charitable purposes within support costs.

12. Net movement of funds:		2022
	£	£
Income from charitable activities	484,241	401,052
Total expenditure	745,142	650,766
Operational (deficit)/surplus	(260,901)	(249,714)

12. Net movement of funds cont.

	2023	2022
	£	£
Other sources of income:		
Donations and legacies	6,222	1,307
Grants recognised	1,687	37,769
Investments	54,404	48,160
Other	2,895	-
	65,208	87,236

	2023	2022
Income less operational deficit	(195,693)	(162,478)
Gains/(losses) on investments	(190,647)	108,320
Net income/(expenditure)	(386,340)	(54,158)

The net movement in funds represents the increase/(decrease) in resources available to the charity.

13. Tangible assets

	Freehold land and buildings	Fixtures fittings and equipment	Total
	£	£	£
Cost or valuation			
At beginning of the year	711,267	239,960	951,227
Additions	-	26,583	26,583
At end of the year	711,267	266,543	977,810
Depreciation			
At beginning of the year	98,899	220,216	319,115
Depreciation charge for the year	14,225	9,390	23,615
At end of the year	113,124	229,606	342,730
Net book value at beginning of the year	612,368	19,744	632,112
Net book value at end of the year	598,143	36,937	635,080

THE YERCOMBE (GLOUCESTERSHIRE) TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5TH APRIL 2023

14. Investments:

The investment portfolio was valued by J.M. Finn & Co Ltd. at current market value. Historical cost was £735,119 (2022: £879,405). The investments included within the portfolio are mainly quoted on the London Stock Exchange. The structure of the portfolio is as follows:

	2023	2022
	£	£
Gilt edged stock	-	43,475
Fixed interest	61,734	69,804
Equities	849,680	1,184,817
	911,414	1,298,096

Stocks which individually represent more than 5% of the portfolio:	2023	2022
	£	£
National Grid	51,742	
International Public Partnership	50,085	
Shell PLC	47,260	
LXI REIT PLC		75,319
BB Healthcare Trust PLC		66,500
Diageo PLC		69,641

Analysis of movement in investment portfolio:	Total	Endowment funds	Unrestricted funds
Invested portfolio:			
Market value at beginning of year	1,298,096	717,475	580,621
Add: Additions to investments at cost	21,896	13,387	8,509
Less: Disposals at carrying value	(243,487)	(141,267)	(102,220)
Transfers between funds - note 6	-	129,585	(129,585)
Add: Net gains/(losses) on revaluation	(165,091)	(96,067)	(69,024)
Market value at end of year	911,414	623,113	288,301
Invested portfolio	911,414	623,113	288,301
Cash held by brokers	11,258	9	11,249
Total investments held 5th April 2023	922,672	623,122	299,550

14. Investments cont.	Total	Endowment funds	Unrestricted funds
Prior year market value at end of year	1,298,096	717,475	580,621
Prior year cash held by brokers	9,816	6,763	3,053
Total investments held 5th April 2022	1,307,912	724,238	583,674

The cash held by brokers represents monies arising from investment transactions still to be re-invested. As explained above, during the year £195,000 (2022: £60,000) was withdrawn from the portfolio.

15. Debtors	2023	2022
	£	£
Trade debtors	39,502	17,171
Prepayments and accrued income	9,607	14,911
Other debtors	1,784	220
	50,893	32,302

16. Cash at bank and in hand	2023	2022
	£	£
Lloyds Bank:		
Current accounts	61,894	70,723
Deposit accounts	6,610	10,590
National Westminster Bank	343	223
Cash with brokers	2,323	1,118
Cash in hand	331	529
	71,501	83,183

17. Creditors	2023	2022
	£	£
Trade creditors	13,728	6,406
Accruals and deferred income	35,128	34,393
Day centre service users - note 18	542	862
Other creditors	21,160	17,920
	70,558	59,581

18. Day Centre service users

Following the closure of the local branch of Barclays Bank PLC, separate accounts are no longer maintained to hold funds belonging to day centre service users. At 5th April 2023 the trust was holding £492 (2022: £832) in its Lloyds Bank account on behalf of the day centre service users.

	2023	2022
	£	£
Funds held in Lloyds Bank account	492	832
Day centre cash held	50	30
	542	862

Day centre service users	2023 £	2022 £
Brought forward	862	1,548
Amounts collected	131	-
	993	1,548
Amounts expended	451	686
Carried forward	542	862

19. Potential legacies

The trust has received notification of the following legacies:

(1.) Mrs. F.W.M. Bignell dec'd.
The trust has received notification from solicitors acting on behalf of the Executors of the estate of Mrs. F.W.M. Bignell dec'd. that the trust has been left one-fifth of the residue of her estate. Mrs. Bignell died on 6th May 2007, and Probate was granted on 31st August 2007. The trustees understand that the estate remains in administration. They have combined with the other parties interested in the residue to appoint Wilsons Solicitors LLP to represent their interests.

The total received to date from the estate is £60,778. The most recent distribution was £22,978.25 on 13th July 2017. The solicitors acting on behalf of the Executors now

19. Potential legacies cont.

claim that due to an error on their part the trust has been overpaid by £4,595.65, and they are seeking to recover the money. The trust has resisted this claim as in the opinion of the trustees further amounts are due from the estate. At the date of the approval of the accounts information is not available which would enable a reliable estimate of amounts receivable or payable to be made. Negotiations between the solicitors acting on behalf of the parties continue.

Fees of £1,226 (2022: £1,226) payable to Wilsons Solicitors LLP are included within professional fees under the heading of Other expenditure. Subsequent to the year end the charity combined with the other beneficiaries interested in the estate to seek Counsel's opinion how best to bring the case to completion. At the date of the approval of these accounts no decision had been made about how to proceed.

The life tenant of the freehold property held in the estate died shortly after the end of the year. Following discussions, the property was transferred from the Executor to Wilsons Trust Corporation Ltd., to be held on trust pending sale. A valuation was obtained as required for compliance with the Charities Act 2022. This valuation was provided by Berrys on 7th August 2023, at a figure of £300,000. Should this figure be obtained by the sale, the trust would receive £75,000, less associated costs.

(2.) Miss. E.E. May dec'd.
The trust has received notification that it has been left one fifth of the residue of the estate. The principal asset consists of a residential property. The trustees understand that this property has been offered for sale, but information is not available which would allow a reliable estimate of the amount eventually to be received by the trust.

(3.) Miss. E.M. Wyatt dec'd.
The trust has been notified that the amount due from the residue of this estate is £1,533. This sum has been recognised as income for the year.

20. Additional insurance

The trust has taken out a 'Directors & Officers' insurance policy. This policy provides management liability and corporate liability cover, each to an aggregate limit of all claims of £1,000,000. The cover includes the trust, staff, and trustees to the extent permitted by the provisions of section 189 of the Charities Act 2011. The premium payable in the year was £1,763 (2022: £1,516).

21. Related party transactions

In the opinion of the trustees there were no related party transactions during the year that require disclosure (2022: None).

22. Grants received

During the year the trust received £1,687 from Gloucestershire County Council as support for the increased pressure caused by the Omicron variant of Covid-19. Although this grant came with conditions attached, the trustees took the view that the nature of the support was such that the funds should be treated as unrestricted.

Details of the grants received in the year ended 5th April 2022 are as follows:

Unrestricted grants 2022:	£
Infection control and testing grants	14,828
Rapid testing grants	9,374
Day centre grants	8,121
Statutory sick pay claims	377
	32,700

Restricted grant 2022:

A grant of £5,069 received from Gloucestershire County Council was recognised as income in the year ended 5th April 2022. It was a condition that the entire grant should be paid to eligible employees as a bonus in addition to their wages/salaries in recognition of their contribution during the Covid-19 pandemic. As required, the full amount was paid out to employees. The trust received no financial benefit from the scheme.

All grants received in both years were funded by government, government agencies, and similar bodies within the UK whole of government accounts (WGA).

23. Prior period adjustment

During the year ended 5th April 2022 £60,000 was withdrawn from the investment portfolio for cashflow purposes. This sum was raised by the sale of stocks held within the Endowment Fund. In order to maintain the value of that fund stocks of an equivalent value were transferred from Unrestricted Funds. These transactions were reported in the Statement of Financial Activities as a transfer between funds without allowing for the cash withdrawn. This error had the effect of overstating Endowment Funds and understating Unrestricted Funds by an equivalent amount. Accordingly, the opening balances relating to those funds as at 6th April 2022 have been restated to correct the position as follows:

23. Prior period adjustment cont.

	Unrestricted funds £	Endowment fund £	Total funds £
As reported	788,653	1,207,275	1,995,928
Prior period adjustment	60,000	(60,000)	-
Restated amounts	848,653	1,147,275	1,995,928

The restated amounts are included in the information shown on the Balance Sheet, and in note 6 to the accounts, as above.

24. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Note	Current year £	Prior year £
Net (expenditure) for the reporting period	12	(260,901)	(249,714)
Adjustments for:			
Depreciation charges	13	23,615	27,019
(Increase)/decrease in debtors		(18,591)	4,106
Increase/(decrease) in creditors		10,957	11,798
Other incoming resources:	2		
Donations		4,689	1,307
Legacies		1,533	-
Grants		1,687	37,769
Other		2,895	-
Net cash used in operating activities		(234,116)	(167,715)