



SIR JOSIAH MASON TRUST

TRUSTEES' REPORT & FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDING 31 MARCH 2021

Charity Registration No. 1179890

Regulator of Social Housing Registration No. A0629

Company Registration No. 11416213

SIR JOSIAH MASON TRUST

Contents	Page
Trustees, Officers and Advisors	1
Trustees' Report	2 - 13
Independent Auditor's Report	14 - 17
Statement of Comprehensive Income	18
Statement of Financial Position	19
Statement of Changes in Reserves	20
Statement of Cash Flows	21
Notes to the Financial Statements	22 - 38

SIR JOSIAH MASON TRUST

Trustees, Officers and Advisors

Trustees	Mrs J Houlder– Chair Ms A M Coad Mr M H Goodwin (retired June 2020)** Councillor Mr K Meeson** Mrs B Foster Councillor Mr G Moore*** Mr P Soule Mr J Pyke Ms E Alvey Mr E Rutledge Ms R Moseley (appointed September 2020) Mr B Burke (appointed December 2020) Mr I Bush (appointed December 2020) Mrs A Balbuena (appointed December 2020)	
Chief Executive/Company Secretary	David Healey	
Registered Office	Mason Court Hillborough Road Birmingham B27 6PF	
Bankers	HSBC Bank Plc 34 Poplar Road Solihull West Midlands B91 3AF	
Investment Managers	Smith & Williamson Investment Management 9 Colmore Row Birmingham B3 2BJ	Brewin Dolphin 9 Colmore Row, Birmingham, B3 2BJ
Solicitors	Brabners Horton House Exchange Flags, Liverpool, L2 3YL	
Auditor	Mazars LLP 2 Chamberlain Square Birmingham B3 3AX	
Registered Charity No.	1179890	
Regulator of Social Housing Reg. No.	A0629	
Registered Company No.	11416213	

TRUSTEES' REPORT

The Trustees present their report and the audited financial statements of the Charity for the year ended 31 March 2021.

The financial statements have been prepared in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard FRS102 "The Financial Reporting Standard" applicable in the UK and Republic of Ireland), and comply with the Statement of Recommended Practice for registered social housing providers 2018 and the Accounting Direction for Private Registered Providers of Social Housing 2019. The accounts also comply, in all material respects, with charities legislation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

In 2018, we undertook a significant review of our legal structure and formed Sir Josiah Mason Trust (SJMT), a new Limited Company in June 2018. In September 2018, this Company was registered as a new Charity and became the corporate Trustee of our three unincorporated charities known as Sir Josiah Mason's Almshouse Charity (1179890-1), Sir Josiah Mason's Relief in Need and Educational Charity (1179890-2) and Sir Josiah Mason's Care Charity (1179890-3). In January 2019, a linking order was granted which meant that the three charities are treated as forming part of the charity called Sir Josiah Mason Trust ('the reporting charity') for the purposes of Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011. This direction took effect for the whole of the financial year 2018-2019.

In July 2019, Sir Josiah Mason Trust became corporate Trustee of two additional charities and a linking order was confirmed in October 2019. These charities are Holte & Bracebridge Charity (1179890-4) and Holy Trinity Heath Town Almshouse Charity (1179890-5).

The original Trust Deed was dated 29 July 1868.

TRUSTEES

Trustees shall be nominated or elected. Nominated Trustees consist of one from the City Council of Birmingham*** and one from the Borough Council of Solihull**. Elected Trustees are elected by the Members at AGM's or if there is no AGM at a meeting convened for the purpose of electing trustees, and shall hold office for three years. No elected Trustee shall be elected for more than three consecutive terms of office so that they shall serve a maximum term of office of 9 years, unless there are special circumstances which shall be determined as such by the majority of the Board of Trustees, in which case in that exceptional case a fourth term of office may be served. The Trustees may also from time to time co-opt Trustees.

The Trustees who served as a 'Board of Trustees' during the year and to the date of this report are listed on page 1.

Trustee Recruitment and Training

Sir Josiah Mason Trust recognises that an effective Board of Trustees is essential if the Trust is to be effective in achieving its objects. The Board must seek to be representative of the people with whom the charity works and must have available to it all of the knowledge and skills required to run the charity. Trustees recognise that the Board does not currently reflect the diversity of the community which we serve and the importance of ensuring that social diversity is equally important to professional diversity in ensuring good governance. Therefore, we actively welcome and proactively seek applicants that reflect the social diversity of our community (gender (including gender-reassignment), ethnicity, sexuality, age and disability).

Whenever a trustee departs, a skills audit of the board will be undertaken. Efforts at recruiting a replacement will take account of the skills audit and of the skills being lost by the departure. Consideration must also be given to any specific roles or duties that the individual leaving the board was undertaking. When a need has been identified to recruit trustees, a panel will be formed to manage the process. This will include the Chair, Chair of the Finance & Performance Committee and the Chief Executive Officer. The panel will have responsibility for ensuring that the remainder of the recruitment and induction process is carried out. Responsibility for recruiting trustees will not be delegated to employees although employees may be given specific administrative tasks by the panel.

A recruitment plan will identify the most appropriate resources from which applicants might be found. Preference should be given to advertisement in the media, volunteer bureau, and direct approaches to professional bodies and to other voluntary organisations over approaches to personal contacts, as the intention is to promote diversity and to avoid conflicts of interest.

All new Trustees will receive a formal Induction and all Trustees are expected to take part in regular training and development.

Organisational Structure

The Trust co-ordinates its affairs through good effective governance arrangements to ensure that it is professionally lead and managed in an efficient and effective way. The Board of Trustees have established a robust governance structure with a range of sub-committees to have specific responsibilities for:-

FINANCE & PERFORMANCE: responsibility for oversight of financial management of the Trust, including management of reserves and investments, financial reporting/control, external audit, budgeting and financial performance, insurance, procurement and grants. Responsibility for oversight of operational performance, including: governance, Human Resources, quality, KPI's, complaints and compliance.

The Board of Trustees appoint trustees to this committee at each AGM and the quorum for meetings shall be no less than three trustees. The committee will meet at least quarterly, so to effectively conduct business, in advance of each Board Meeting.

REMUNERATION: recommending staff pay awards and changes to terms and conditions of appointments and considering changes to the roles and benefits of the Senior Management Team. The Board of Trustees appoint trustees to this committee at each AGM and the quorum for meetings shall be three trustees. Membership should include the Chair of the Trust.

The Remuneration Committee will meet at least once each year before new budget proposals are submitted to the Board, and such other times as may be necessary.

Risk Management

The Board is responsible for approving a risk management approach. This will include setting the Trust's risk appetite as well as the processes to identify, measure, monitor and mitigate risks. The Board of Trustees carry out a quarterly review of strategic and operational risks reported in the Risk Register and an annual review of their risk appetite. The Board is the ultimate owner of the risk strategy and any mitigating actions in respect of risk.

As part of the Trust's commitment to good risk management practice, each year, Trustees and senior staff work together to identify the risk appetite in order to influence how we approach one of our key values 'innovation', as well as strategic planning, organizational management and new developments and opportunities. It is important that we undertake a balanced assessment of risk and to recognise that in many cases, there are risks attached to both doing something and doing nothing. This exercise will enable the Trust to develop a clear strategy that is understood and sets out the authorities and limitations within which the Trusts Board, Committees, the SMT and staff teams can make decisions, indicating:

- a) the areas where we should step out and be innovative;
- b) the areas where we should be conservative and compliant in our activities; and
- c) the "lines" across which the Trust Board and senior management do not wish to cross, and where the senior management team and Board would need to be notified.

As part of the business planning process, the Board will review the risks to achieving the Trust's objectives. The Senior Management Team is responsible for ensuring that any action points highlighted are incorporated into work plans for staff within their section.

Objects and Activities for the Public Benefit

The Objects of the Charity, which are for the public benefit, are specifically restricted to the following:

- a) the provision of housing accommodation for beneficiaries;
- b) such charitable purposes for the benefit of residents as the Trustees decide;

The relief of persons who are in need, hardship or distress; and to promote the education of persons who:

- a) are under the age of 25; and
- b) are in need of financial assistance

SIR JOSIAH MASON TRUST

The charitable benefits outlined above may be provided by way of:

- a) making grants of money to them; or
- b) providing or paying for goods, services or facilities for them; or;
- c) making grants of money to other persons or bodies who provide goods, services or facilities to those in need.

The provision of care for the following classes of person:

- a) persons who have been alms people of the Charity called Sir Josiah Mason's Almshouse Charity, but who because of their age, infirmity or illness can no longer be cared for in the almshouses of that Charity; and
- b) other persons who are poor and aged.

Any other charitable purpose which shall be selected by the Trustees in their absolute discretion from time to time.

VALUE FOR MONEY REPORT

The Regulator of Social Housing has introduced a new standard for the reporting of Value for Money (VfM) from 1 April 2018 reflecting accounts produced from 31 March 2018, which includes these financial statements. The purpose of the revised standard is to:-

1. Firstly, report on a set of standard metrics, and where these results are outliers for the organisation to report the reasons why this might be. In the case of Sir Josiah Mason Trust, we have an untypical profile, being both a provider of supported housing for older people and also a care home provider, which will inevitably distort some of the results. We also have no loans which means metric 3 and 4 are 0%.
2. Secondly, the regulator asks providers to provide a set of metrics of their own that they can measure themselves against.

The regulator has defined seven key VfM metrics that must be reported by every registered provider for the financial year that is being audited. Accordingly, this report reflects only our own data at the time of reporting.

		2019-2020	2020-2021
1.	Reinvestment %	17.5%	0%
2 a.	New supply delivered % (Social Housing units)	5.53%	0%
2 b.	New supply delivered % (Non-Social Housing units)	0%	0%
3.	Gearing %	0 %	0%
4.	Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included Interest Cover %	0%	0%
5.	Headline Social Housing Cost Per Unit	£24,803	£8,984
6 a.	Operating Margin (social housing lettings) %	7.57%	10.62%
6 b.	Operating Margin (overall) %	-3.3%	48.2%
7.	Return on Capital Employed (ROCE) %	8.75%	8.54%

Metric 1 Reinvestment % - This metric looks at the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.

Metric 2 New Supply Delivered % - This metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at the period end.

Metric 3 Gearing % - This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance. It is often a key indicator of an organisation’s appetite for growth. SJMT has no borrowings and all new developments have been funded through reserves.

Metric 4 Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included Interest Cover % - The EBITDA MRI interest cover measure is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates compared to interest payable; the measure avoids any distortions stemming from the depreciation charge.

Metric 5 Headline Social Housing Cost Per Unit – The unit cost metric assesses the headline housing cost per unit as defined by the Regulator.

Metric 6 Operating Margin % - The Operating Margin demonstrates the profitability of operating assets before exceptional expenses are taken into account.

- a) Operating Margin (social housing lettings) %.
- b) Operating Margin (overall) %.

The donations on acquisition have been excluded from the metric for 6b for 2019-20 and the negative figure is due to the large unrealised loss on the investment portfolio due to the market reaction to the COVID 19 pandemic. For 2021 the recovery of the investment portfolio has substantially affected this metric.

Metric 7 Return on Capital Employed (ROCE) % - This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources.

Sir Josiah Mason Trust’s Metrics

The regulator asks providers to provide a set of metrics of their own that they can measure themselves against. We have selected Metrics which best reflect the outcomes we are seeking to deliver in line with our business plan both for the Almshouse and Care Charities. The metrics we have chosen for this second Value for Money report are a mixture of both hard financial type data and targets related to social impact, given our mission as defined by our charitable objects.

		2019-2020	2020-2021	Target 21/22
1.	Occupancy	94%	95%	95%
2.	Resident Satisfaction (Value for Money – Very/Fairly Satisfied)	95%	90%	95%
3.	Rent collected (as a percentage of rent owed)	104%	102%	100%
4.	Increased reach (new units)	29	0	6

FINANCIAL REVIEW

The overall surplus for the year was £1,580,104 (2020: £1,522,910). The major individual factor for 2021 is the recovery of the investment portfolio whilst 2020 included the write down of the investment portfolio due to the pandemic impact and the donations on acquisition relating to the Holte and Bracebridge and Holy Trinity transfers.

Turnover increased by £269,673 (2020: £339,776).

Income from lettings of the Almshouse properties and Alexandra House, the care home, increased by £123,930 due to annual increases and a full year for the June 2019 acquisitions. Alexandra House provided an increase in income of £17,474k.

Loss of income through voids for the whole organisation was £226,370 up from £195,838 in the previous year most of which was as a result of the COVID 19 pandemic.

COVID 19 related government grants of £136,419 were received in the year via the initial support grant and then via the Infection Control Grant system. The infection Control Grant is continuing through 2021 22 to offset the high costs of PPE and testing control management required to meet CQC requirements. £5,036 was also received via the Job Retention Scheme to cover the costs of staff sickness and self isolation.

Occupancy rates for the year as a whole were 95% (2020:93%). In the Almshouse properties it was 96% (2020:94%). At Alexandra House, voids averaged 10.8% compared to 11% in the previous year.

Note 4 to the Financial Statements shows an operating deficit of £45,977 for Registered Care but the large amount of COVID 19 grant funding received in the year that relates to this service is detailed in note 3. To get a better picture of the result for this service note 19 on page 34 should be looked at as this includes the relevant element of the grant for the care charity showing a surplus of £109,292.

Expenditure on lettings increased by £71,832. This increase was attributable to:-

- 1) Staff costs in total increased by £60,310k due to multiple reasons. Extra costs to cover for the pandemic when staff were isolating or sick, the annual increase and a move away from using agency staff to employed staff for the catering function, reorganisation of the housing management support at scheme level and a reorganisation of the maintenance support function.
- 2) Agency staff costs remained high to cover for the extra care and cleaning required as a result of the pandemic even though the agency cost for the catering function reduced.
- 3) Repairs and maintenance costs decreased by £8,940k. Due to access to the various properties being limited as a result of the pandemic, only very essential work was carried out however £29k relating to Fire Survey work was required which kept the costs comparable with the prior year.
- 4) As a result of the pandemic £17,340 was spent on PPE although part way through the year this was made freely available from the government so the monthly costs decreased.
- 5) Water rates increased by £12,965 some of which relates to the prior year
- 6) As a result of the change to in-house catering the cost of food increased by £13,702 compared with the prior year. This is partly due to food inflation but has resulted in a higher quality of food for the residents at Alex House and Alex Court.

Expenditure on the fabric of the Charity's buildings amounted to £194,909 (2020 £473,045) in the year and of this expenditure, £5,400 (2020 £209,277) was capitalised and the rest was funded through Revenue Reserves.

Dividend income from equities and fixed interest decreased in the year by £16,819 to £105,151 when compared with 2020 (£121,970) which is partly due to a Trustee decision to roll up the first 6 months of income in order to aid recovery from Covid-19 losses. Income from bank and building society deposits increased from £2,823 in 2020 to £2,895 for 2021.

Realised gains on the sale of investments generated a surplus of £151,749 (2020: £30,997). Unrealised gains from the investment portfolio amounted to £915,625 (loss 2020: £524,296) by the end of the year. The increase in the market value of the investment portfolio in the year was due to the recovery of the markets following the development of the vaccines against COVID 19.

Grants totalling £4,500 were made in the year to a local food bank called Essentials Delivery - Social Supermarket & Food Bank.

RESERVES

Reserves are part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes. Trustees take the view that reserves are essential to maintain the ongoing viability of the Trust and its charities.

Why we need reserves

It is the Policy of the Trust to accumulate and maintain reserve funds for:

1. Sinking Fund – for the replacement of soft furnishings in communal area, white goods in resident's homes, gardening equipment, laundry equipment and lifts.
2. Cyclical Maintenance Fund – to cover maintenance costs occurred at regular intervals including interior and exterior redecoration, fencing and annual electrical checks.
3. Contingency Fund – in the event that the organisation has to be wound up, it would require 6 months running costs in reserve to allow for a proper run down.
4. New Developments/projects.

The level of Reserves Trustees believe we need

In 2020- 21, the Trustees have agreed to accumulate and maintain the following level of reserves:

- | | |
|---|------------|
| 1. Sinking Fund (Almhouse): | £565,000 |
| 2. Cyclical maintenance (Holy Trinity): | £62,525 |
| 3. Contingency Fund: | £1,379,354 |
| 4. New Developments/projects: | |
| a. £500,000 - Investment property (RiN) | |
| b. £165,000 - Children and young people's pilot project 2019-2024 (RiN) | |
| c. £4 million - Trustees have resolved to accumulate reserves for future capital development projects including refurbishment and new developments. | |

The Revenue and Designated reserves held as at 31st March 2021 were £9,910,879 but £9,047,627 is backed by housing properties which cannot be sold. The Trustees have appointed a fundraising

consultant to assist with raising further funds to assist with future development projects.

INVESTMENT POLICY

Investment Objectives

- The Trust has been set up with the intention of continuing into perpetuity; therefore, the applicable investment timescale is long term.
- The Trust's investments are comprised of Endowment Investment Funds, unrestricted and restricted fund investments. The investment objectives for each type of fund is identical.
- **Relief In Need Charity:** The minimum investment objective of 2020-2021 is to achieve a minimum of CPI+4% per annum (after fees) over a 5 year rolling period. From this, we will take an income figure to be determined annually. In 2021 22 the income target will be £103,000.
- **Holte & Bracebridge Charity:** The minimum investment objective of 2021-2022 is to achieve a minimum of CPI+4% per annum (after fees) over a 5 year rolling period. From this, we will take an income figure to be determined annually to use for our activities. The Trust will take 3% income per annum from this return to use for its activities.
- **Holy Trinity Almshouse Charity:** The minimum investment objective or 2021-2022 is to achieve a minimum of CPI+4% per annum (after fees) over a 5 year rolling period. From this, we will take an income figure to be determined annually to use for our activities. In 2021-2022, the Trust will take 3% income from this return to use for its activities.
- For investment purposes the management of these funds will be delegated to a number of professional fund managers authorised by the FCA under a discretionary management agreement as determined by Trustees following an annual performance review with each Investment Manager.

Risk considerations

- The key risk to the long-term sustainability of the Trust is inflation, and the assets should be invested to mitigate this risk over the longer term. The Trustees understand that this is likely to mean that investments will be concentrated in real assets and the capital value will fluctuate from time to time.
- Trustees continue to adopt a medium risk strategy that should protect the Trust's income and grow capital value over the medium term.
- Consecutive capital losses can be tolerated during market downturns as the long-term time horizon allows time for values to recover. This will be monitored via quarterly reports and the annual review.

Investment Powers

- The Trust has wide investment powers and can invest in all asset classes available to charities under Charity Commission regulations. Derivatives should only be used for efficient portfolio management and not for speculative purposes.

Ethical Consideration and Restrictions

- The Trustees are currently imposing no specific ethical restrictions on the investments that may be held, however it is an expectation of the Trustees that the investment managers have Environmental, Social and Governance (ESG) as an integral part of their investment process.

Currency

- The base currency of the Portfolio is Sterling.
- Currency hedging is permitted.

Liquidity Requirements

- It is expected that dividend income from the Portfolio will be used by the Trust to fund its objects rather than being reinvested.
- As part of the development plans of the Trust, it may wish to realise some of the Portfolio to provide the necessary funding. This will be discussed with the fund manager as the plans develop.

Investment Performance Benchmarks

- The Trust will review the Portfolio, including an analysis of return, risk and asset allocation with the fund manager and any retained advisor annually.
- The minimum performance requirement for all fund investments is inflation (CPI) +4% per annum over 5 year rolling periods and the fund manager is required to show this figure in all reports. In addition, the trustees will monitor performance against a composite benchmark reflecting the strategic asset allocation of the portfolio as agreed with the manager and an appropriate peer group benchmark e.g. ARC.

Periodic Reviews of Investment Policy

- This Statement of Investment Policy will be subject to annual review.
- It is anticipated that the investment management services provided to the Charity by the investment managers will be formally reviewed every 3-5 years to ensure that the Charity is receiving value for money and demonstrable risk-adjusted returns in line with its objectives.

BREXIT AND COVID-19

Trustees have given full consideration to the potential impact of Brexit and COVID-19 upon the charity and have undertaken an Impact Assessment and have put measures in place to manage any potential risks. All parts of the business have continued to operate whilst applying the continuous changes in guidance issued by the Government with regard to the residential care home and support for residents with regard to COVID-19 infection control. Due to the adverse impact on the investment valuations as at 31st March 2020 the Trustees decided to scale down plans with regard to the young people initiatives and reinvest investment income for the 6 months to 30th September 2020 to help shore up the portfolio. The lettings income has been unaffected by COVID as a result of the special COVID grants awarded by Solihull MBC.

FUTURE PLANS

In 2018, the Trust launched a new 5 year Strategic Business Plan 'Building on Strong Foundations'. Our 5 key goals during this strategy period are:

1. To be a leading provider in Birmingham and Solihull
2. To help more people
3. To maintain financial sustainability and grow
4. To be the best we can be
5. To be an employer of choice

In 2021-2022, the way in which the Trust will achieve these goals includes:

- We will identify more opportunities to work collaboratively; developing a range of partnerships (including mergers & corporate trusteeship) that help us fulfil our vision and achieve positive outcomes for people in need.
- We will develop new relationships with Commissioners across our region in order to be 'seen' as provider of choice.
- We will proceed with planning stage/s of development of the Holte & Bracebridge site
- We will commence plans for development or acquisition of between 5-10 new Almshouses for care leavers/homeless young people
- We will launch a service for young people
- We will utilise an external grant and tender writing consultant/s in order to increase and diversify our income streams.
- We will undertake a review of the Alexandra Court 'extracare' model.
- We will undertake a thorough review of our use of technology in order to ensure improved customer experience and client engagement and to achieve financial and operational efficiencies
- We will undertake a review of the leadership and governance of the charity using the well-led framework.
- We will sign up to and complete the National TOMS Framework in order to measure and report our social value and to improve our organisation's social impact.
- We will sign up to ISO9001
- We will undertake an organisation wide Diversity & Equality Impact Assessment leading to the development of an Equality, Diversity & Inclusion Strategy

GOING CONCERN

Under governance requirements the Trustees confirm that after making enquiries they have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees have also considered the impact of COVID-19 on the ability of the organisation to continue and they have reasonable expectations due to the level of reserves and the funding being made available by the government that the organisation is a going concern. Accordingly they continue to adopt the going concern basis in preparing the accounts.

INTERNAL CONTROLS ASSURANCE

The Board of Trustees has overall responsibility for establishing and maintaining a robust system of internal control and for reviewing its effectiveness. Trustees recognise that no system of internal control can provide absolute assurance or eliminate all risk. The system of internal control currently in operation is designed to identify and manage risk and to provide reasonable assurance that all key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational performance information and the safeguarding of the charity's assets and interests.

In meeting its responsibilities Trustees have adopted a risk-based approach to internal controls which are embedded within the normal management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which the charity

is exposed and is consistent with Turnbull principles (guidance on best practice in internal controls management).

TRUSTEES' RESPONSIBILITIES

As a Registered Provider the Board of Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the entity at the end of the financial year and of its income and expenditure for the year ended on that date. In preparing those financial statements, suitable accounting policies have been used, and formulated, to the best of the Trustees knowledge and belief, by reference to reasonable and prudent judgements and estimates and applied consistently. Applicable accounting standards have been followed. The Board is also required to indicate where the financial statements are prepared other than on the basis that the entity is a going concern.

The Board of Trustees is responsible for ensuring that arrangements are made for keeping proper books of account with respect to the Charity's transactions and its assets and liabilities, and for maintaining a satisfactory system of control over the Charity's books of account and transactions. The Board is also responsible for ensuring that arrangements are made to safeguard the assets of the Charity and hence for 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's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

COMPLIANCE WITH THE RSH GOVERNANCE AND FINANCIAL VIABILITY STANDARD

The Trustees confirm that the Charity complies with the requirements of the Governance and Financial Viability Standard applicable for the year.

TRUSTEES' LIABILITY INDEMNITY

All Trustees of the charity benefit from a 'Members and Officers Liability Insurance' policy operated through our insurers which provides £2,000,000 of cover.

FINANCIAL INSTRUMENTS

The Charity does not have any abnormal exposure to price, credit, liquidity or cash flow risks arising from its trading activities. The Charity does not enter into any hedging transactions and no trading in financial instruments is undertaken.

DISCLOSURE OF INFORMATION TO THE AUDITOR

In the case of each of the persons who are Trustees of the Charity at the date when this report was approved:

- so far as each of the Trustees are aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- each of the Trustees has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information (as defined) and to establish that the Charity's auditor is aware of that information.

SIR JOSIAH MASON TRUST

The report was approved by the Board of Trustees on 15th September 2021 and signed on their behalf by:

Mrs Julie Houlder – Chair

Julie A. Houlder

Ms Alison Coad – Chair of Finance & Performance

Alison Coad

Independent auditor's report to the members of Sir Josiah Mason Trust

Opinion

We have audited the financial statements of Sir Josiah Mason Trust (the 'company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Change in Equity 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss 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 Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Board's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Board's Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Board's Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Board's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Board

As explained more fully in the Board's Responsibilities Statement set out on page 3, the Board are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board 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 Board are responsible for assessing the company'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 Board either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and

we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

We evaluated the Board's and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Board and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Board and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and Chapter 4 of Part 2 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

David Hoose

[David Hoose \(Sep 21, 2021 09:23 GMT+1\)](#)

DAVID HOOSE (SENIOR STATUTORY AUDITOR)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

2 Chamberlain Square

Birmingham

B3 3AX

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021**

		2021	2020
	Notes	£	£
TURNOVER	3	3,235,375	2,965,702
Operating costs	3	(2,827,972)	(2,758,709)
		<hr/>	<hr/>
OPERATING SURPLUS	3	407,403	206,993
Donations arising from Acquisitions	5	-	1,621,707
Interest receivable and other income	6a	108,046	124,793
Interest and financing costs	6b	(2,719)	(2,544)
Realised gains/(losses) on investment assets		151,749	30,997
		<hr/>	<hr/>
SURPLUS FOR THE YEAR	7	664,479	1,981,946
Unrealised loss/gains on investment assets:			
- Freehold ground rents and properties		-	65,251
- Listed investments		915,625	(524,287)
		<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,580,104</u>	<u>1,522,910</u>

The financial statements on pages 18 to 38 were approved and authorised for issue by the Trustees on 15th September 2021 and were signed on their behalf by:-

Mrs Julie Houlder – Chair

Julie A. Houlder

Ms Alison Coad – Chair of Finance & Performance

Alison Coad

**STATEMENT OF FINANCIAL POSITION
FO THE YEAR AS AT 31 MARCH 2021**

	Notes	2021	2020
		£	£
TANGIBLE FIXED ASSETS			
Housing properties – cost less depreciation	9	10,191,211	10,432,802
Investment properties	10	706,000	706,000
Other property, plant & equipment	11	48,261	52,704
Listed investments	12	5,083,319	3,995,785
		<u>16,028,791</u>	<u>15,187,291</u>
CURRENT ASSETS			
Inventories		3,121	4,012
Trade and other receivables	13	136,426	191,383
Cash and cash equivalents		2,558,347	1,757,166
		<u>2,697,894</u>	<u>1,952,561</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
	14	<u>(444,518)</u>	<u>(417,559)</u>
NET CURRENT ASSETS			
		<u>2,253,376</u>	<u>1,535,002</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		18,282,167	16,722,293
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR			
	15	<u>(1,527,720)</u>	<u>(1,547,951)</u>
NET ASSETS			
		<u>16,754,447</u>	<u>15,174,342</u>
RESERVES			
Endowment reserve		6,823,082	5,755,708
Revenue reserves		4,244,459	3,693,192
Designated reserves		5,686,906	5,725,442
		<u>16,754,447</u>	<u>15,174,342</u>

The financial statements on pages 18 to 38 were approved and authorised for issue by the Trustees on 15th September 2021 and were signed on their behalf by:-

Mrs Julie Houlder – Chair

Julie A. Houlder

Ms Alison Coad – Chair of Finance & Performance

Alison Coad

**STATEMENT ON CHANGES IN RESERVES
FOR THE YEAR AS AT 31 MARCH 2021**

	2021	2020
	£	£
<i>Revenue reserves</i>		
BALANCE AT 1 APRIL 2020	3,693,192	2,854,407
Increase from acquisitions	-	508,701
Movement on unrealised investments	-	1,448
Surplus for the year	512,731	328,636
Transfers	38,536	-
	<u>4,244,459</u>	<u>3,693,192</u>
BALANCE AT 31 MARCH 2021	<u>4,244,459</u>	<u>3,693,192</u>
<i>Endowment Capital account</i>		
BALANCE AT 1 APRIL 2020	5,755,708	5,152,602
Increase from acquisitions		1,031,987
(Deficit)/ surplus on sale of:		
- Ground rents	-	-
- Investments	151,749	31,612
Movement on unrealised surplus on properties	-	65,251
Movement on unrealised loss on investments	915,625	(525,744)
	<u>6,823,082</u>	<u>5,755,708</u>
BALANCE AT 31 MARCH 2021	<u>6,823,082</u>	<u>5,755,708</u>
<i>Designated reserves</i>		
BALANCE AT 1 APRIL 2020	5,725,442	5,644,423
Increase from acquisitions	-	81,019
Transfers	(38,536)	-
	<u>5,686,906</u>	<u>5,725,442</u>
BALANCE AT 31 MARCH 2021	<u>5,686,906</u>	<u>5,725,442</u>

SIR JOSIAH MASON TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR AS AT 31 MARCH 2021**

	Notes	2021		2020	
		£	£	£	£
NET CASH GENERATED FROM OPERATING ACTIVITIES	A		744,686		629,663
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest received		120,444		2,822	
Interest and financing costs		-		(2,544)	
		<u> </u>	120,444	<u> </u>	278
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of housing properties		(8,647)		(496,843)	
Investments: Purchases		(33,856)		(498,836)	
Purchase of other fixed assets		(21,447)		(33,950)	
Proceeds from the sale of investments		-		524,295	
Grants received		-		63,515	
		<u> </u>	(63,950)	<u> </u>	(441,819)
NET CHANGE IN CASH AND CASH EQUIVALENTS			<u>801,180</u>		<u>188,122</u>
Cash and cash equivalents at the beginning of the year					
			<u>1,757,166</u>		<u>1,569,044</u>
Cash and cash equivalents at the end of the year					
			<u>2,558,346</u>		<u>1,757,166</u>

A) RECONCILIATION OF SURPLUS FOR THE YEAR TO NET CASH GENERATED FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Surplus for the year	1,580,104	1,522,901
Acquisition donations- non cash	-	(1,614,058)
Stock	890	-
Movement in debtors	42,336	(29,131)
Movement in creditors	2,354	11,361
Deficit/(surplus) on disposal of fixed assets	168	2,633
Depreciation	275,966	297,197
Movement in investment properties	0	(65,251)
Movement in listed investments	(1,068,372)	524,296
Movement in capital grants	-	(20,007)
Interest receivable	(108,046)	(2,822)
Interest and financing costs	-	2,544
Investment managers fees deducted at source	19,286	-
Net cash inflow from operating activities	<u>744,686</u>	<u>629,663</u>

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

1 ACCOUNTING POLICIES

(a) ***General information and basis of accounting***

The financial statements are prepared under the historical cost convention, in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and comply with the Accounting Direction for Private Registered Providers of Social Housing 2019 and the Statement of Recommended Practice for Registered Social Housing Providers 2018 (SORP). The accounts also comply, in all material respects, with charities legislation. The Charity is a public benefit entity, as defined in FRS 102 and applies the relevant paragraphs prefixed "PBE" in FRS 102.

Going Concern

Under governance requirements the Trustees confirm that after making enquiries they have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees have also considered the impact of COVID-19 on the ability of the organisation to continue and they have reasonable expectations due to the level of reserves and the funding being made available by the government that the organisation is a going a concern. Accordingly they continue to adopt the going concern basis in preparing the accounts.

Merger

On 14 June 2018, a new entity, Sir Josiah Mason Trust (SJMT) was incorporated under the Companies Act 2006, as a private company, limited by guarantee. On 14th June 2018 the activities and assets and liabilities of the following entities were transferred to Sir Josiah Mason Trust:-

Sir Josiah Mason's Almshouse Charity;
Sir Josiah Mason's Care Charity; and
Sir Josiah Mason's Relief in Need and Educational Charity.

In accordance with FRS 102, this transaction has been accounted for as a merger, and so these financial statements are presents as if Sir Josiah Mason Trust had existed in its current form since the start of the previous reporting period.

Acquisitions

On 1st July 2019 the Holte and Bracebridge Charity was transferred by SJMT and the charity has been linked under ref 1179890-4. On 1st July 2019 Holy Trinity Heath Town Almshouses Charity was transferred by SJMT and has been linked under ref 1179890-5. Both have been accounted for using the acquisition method and the assets transferred treated as donations in the year.

(b) **Turnover**

Turnover represents residents' contributions receivable in respect of almshouses and the care home (net of void losses), grants and donations and other sundry income.

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

(c) Depreciation

Depreciation is charged so as to write down the cost of freehold housing properties and other fixed assets to their estimated residual value on a straight line basis over their expected useful economic lives as follows:

Freehold land	Not depreciated
Housing properties:	
Structures and Pitched Roof	100 years
Lifts	50 years
Doors and Windows	35 years
Flat Roof	30 years
Central Heating including Boilers	25 years
Electrics	20 years
Bathrooms and Kitchens	15 years
Soft Furnishings	10 years
Computers	4 years
Fixtures and fittings	4 years
Motor Vehicles	4 years

(d) Impairment

Properties held for their social benefit are not held solely for the cash inflows they generate and are held for their service potential.

An assessment is made at each reporting date as to whether an indicator of impairment exists. If such an indicator exists, an impairment assessment is carried out and an estimate of the recoverable amount of the asset is made. Where the carrying amount of asset exceeds its recoverable amount, an impairment loss is recognised in surplus or deficit in the Statement of Comprehensive Income. The recoverable amount of an asset is the higher of its value in use and fair value less costs to sell. Where assets are held for their service potential, value in use is determined by the present value of the asset's remaining service potential plus the net amount expected to be received from its disposal. Depreciated replacement cost is taken as a suitable measurement model.

An impairment loss is reversed if the reasons for the impairment loss have ceased to apply and included in surplus or deficit in the Statement of Comprehensive Income.

(e) Works to existing properties

Expenditure on housing properties, other than the replacement of components, which results in an enhancement of the economic benefits of the property or relates to a major overhaul of the property is capitalised.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31ST MARCH 2021****(f) Social Housing Grant (SHG) and other grants**

Government grants are recognised using the accrual model and are classified either as a grant relating to revenue or a grant relating to assets. Grants relating to revenue are recognised in income on a systematic basis over the period in which related costs for which the grant is intended to compensate are recognised. Where a grant is receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support with no future related costs, it is recognised as revenue in the period which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Grants received for housing properties are recognised in income over the expected useful life of the housing property structure. Where a grant is received specifically for components of a housing property, the grant is recognised in income over the expected useful life of the component.

Grants received from non-government sources are recognised as revenue using the performance model.

(g) Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

(h) Pensions

The Charity operates a defined contribution pension scheme, the cost of which is written off to the Statement of Comprehensive Income on an accruals basis. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

(i) Donations

Cash donations are accounted for when the receipt is recorded in the accounting records. Material donations of items other than cash are included in income at market value on receipt.

(j) Voluntary help

No value has been put on the voluntary help received by the Charity during the year.

(k) Financial Instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial assets carried at amortised cost

Financial assets carried at amortised cost comprise rent arrears, trade and other receivables and cash and cash equivalents. Financial assets are initially recognised at fair value plus directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31ST MARCH 2021**

If there is objective evidence that there is an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.

A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and reward are transferred.

If an arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial liabilities carried at amortised cost

These financial liabilities include trade and other payables.

Any non-current debt instruments which meet the necessary conditions in FRS 102, are initially recognised at fair value adjusted for any directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the Statement of Comprehensive Income. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

Financing transactions

For rent arrears where the arrangement constitutes, in effect, a financing transaction because of extended credit arrangements the arrears are measured at the present value of the future payments discounted at an appropriate market rate of interest.

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

(m) Charitable Status

The Charity is registered with the Charity Commission, number 1179890 and is exempt from Income Tax and Capital Gains Tax provided its income and gains are applied for charitable purposes.

(n) Investment Properties

The value of investment properties was valued by David Coleman MRICS. An annual desk top valuation is carried out each year to identify any changes in value of the assets.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31ST MARCH 2021**

2 SIGNIFICANT MANAGEMENT JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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 and in any future periods affected. In this regard, the Trustees believe that the critical accounting policies where judgements or estimations are necessarily applied are summarised below:

Depreciation and residual values

The Trustees have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate.

Provisions and accruals

Management bases its judgements on the circumstances relating to each specific event and upon currently available information. However, given the inherent difficulties in estimating liabilities in these areas, it cannot be guaranteed that additional costs will not be incurred beyond the amounts accrued.

Impairment of trade debtors

An estimate of the collectible amount of trade debtors is made when collection of the full amount is no longer probable. This estimation is performed on an individual basis.

Investment Property Valuation

The Trust carries its investment properties at fair value and engages independent valuers to determine fair value using valuation techniques. The calculated fair value of the investment property uses assumptions which are subject to judgements. The carrying values of the Trust's investment properties can be found in note 10 of the financial statements.

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

3 TURNOVER AND OPERATING COSTS

	Turnover £	2021 Operating costs £	Operating surplus £	Turnover £	2020 Operating costs £	Operating surplus £
Income and expenditure from Lettings						
Alms' & Care accommodation	3,012,022	(2,825,722)	186,300	2,888,092	(2,753,890)	134,202
Other income and expenditure						
Catering	11	-	11	365	-	365
Donations & Grants	153,830	(2,250)	151,580	7,996	(4,819)	3,177
Other income and expenditure	26,991	-	26,991	37,955	-	37,955
Rental income from investment						
Properties	16,546	-	16,546	16,531	-	16,531
Trustee Assessor Income	25,975	-	25,975	14,763	-	14,763
Total	<u>3,235,375</u>	<u>(2,827,972)</u>	<u>407,403</u>	<u>2,965,702</u>	<u>(2,758,709)</u>	<u>206,993</u>

4 INCOME AND EXPENDITURE FROM LETTINGS

	Social Housing £	Registered Care £	2021 £	2020 £
Income				
Rents net of voids	1,082,013	1,017,672	2,099,685	2,028,999
Service charge net of voids	622,137	-	622,137	586,382
Charges for support services	155,271	123	155,394	152,033
Supporting people grants	114,687	-	114,687	100,671
Amortisation of SHG	<u>20,119</u>	<u>-</u>	<u>20,119</u>	<u>20,007</u>
	<u>1,994,227</u>	<u>1,017,795</u>	<u>3,012,022</u>	<u>2,888,092</u>
Expenditure				
Services	827,237	416,346	1,243,583	940,561
Management	595,884	582,550	1,178,434	1,400,684
Repairs and maintenance	<u>338,829</u>	<u>64,876</u>	<u>403,705</u>	<u>412,645</u>
	<u>1,761,950</u>	<u>1,063,772</u>	<u>2,825,722</u>	<u>2,753,890</u>
Operating surplus on letting activities	<u>232,276</u>	<u>(45,977)</u>	<u>186,300</u>	<u>134,202</u>
Void Losses	<u>105,500</u>	<u>120,870</u>	<u>226,370</u>	<u>195,838</u>

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

5 Donations arising from Acquisitions

	2021 £	2020 £
Donations from charities acquired during the year		
Holte and Bracebridge	-	1,003,659
Holy Trinity	-	618,048
	<u>-</u>	<u>1,621,707</u>

A breakdown of the assets acquired is set out in note 21.

	2021 £	2020 £
6a INTEREST RECEIVABLE AND SIMILAR INCOME		
Fixed interest investments	-	8,543
Equities	105,151	113,427
Bank and building societies	2,895	2,823
	<u>108,046</u>	<u>124,793</u>

	2021 £	2020 £
6b INTEREST AND FINANCING COSTS		
Bank interest and charges	<u>2,719</u>	<u>2,544</u>
No interest was capitalised in the year (2020 £nil).		

7 SURPLUS FOR THE YEAR

Surplus for the year is stated after charging:

Staff costs (note 8)	1,452,376	1,392,066
Depreciation of tangible owned fixed assets	275,457	297,197
Auditor's remuneration:		
In their capacity as auditor	17,713	14,550
Other services	-	-
	<u>-</u>	<u>-</u>

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

	2021	2020
	£	£
8 STAFF COSTS		
Salaries	1,308,824	1,255,097
Social security costs	96,158	90,450
Other pension costs	47,394	46,519
	<u>1,452,376</u>	<u>1,392,066</u>
Agency staff	<u>192,664</u>	<u>199,040</u>

Settlements were made to staff of £8,750 during the year.

The management team consisted of the Chief Executive, Director of Operations, Head of Central Services and the Head of Finance and were paid the following amounts during the year:

	2021	2020
	£	£
Salaries	212,296	226,128
Social Security costs	25,405	27,378
Other pensions costs	<u>12,404</u>	<u>10,095</u>
	<u>250,105</u>	<u>263,601</u>

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

	2021	2020
£70,001-£80,000	<u>1</u>	<u>1</u>

Average number of full time equivalent persons employed during the year:

	Number	Number
Office	9	8
Carers & other site staff	<u>51</u>	<u>54</u>
Total employees	<u>60</u>	<u>62</u>

	2021	2020
	£	£
TRUSTEES' REMUNERATION		
Out of pocket expenses reimbursed in the year.	<u>-</u>	<u>299</u>

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

9 FIXED ASSETS – HOUSING PROPERTIES

	Completed Properties £	Under Construction £	Care Home £	Total £
COST				
At 1 April 2020,	11,084,365	900	1,090,839	12,176,104
Additions – completed	5,400	-	-	5,400
Additions – under construction	-	3,247	-	3,247
	<u>11,089,765</u>	<u>4,147</u>	<u>1,090,839</u>	<u>12,184,751</u>
At 31 March 2021	<u>11,089,765</u>	<u>4,147</u>	<u>1,090,839</u>	<u>12,184,751</u>
DEPRECIATION				
At 1 April 2020	1,639,243	-	104,060	1,743,303
Charge for the year	241,358	-	8,879	250,237
Less Disposals	-	-	-	-
	<u>1,880,601</u>	<u>-</u>	<u>112,939</u>	<u>1,993,540</u>
At 31 March 2021	<u>1,880,601</u>	<u>-</u>	<u>112,939</u>	<u>1,993,540</u>
NET BOOK VALUE				
At 31 March 2020	<u>9,445,122</u>	<u>900</u>	<u>986,779</u>	<u>10,432,802</u>
At 31 March 2021	<u>9,209,164</u>	<u>4,147</u>	<u>977,900</u>	<u>10,191,211</u>

All housing properties are freehold and completed. Total expenditure on works to existing properties amounted to £213,970 (2020 £473,045). Of this expenditure, £5,400 (2020 £209,277) was capitalised in the year.

	2021	2020
	No's	No's
Units in Management	236	235
	<u>236</u>	<u>235</u>

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

10 FIXED ASSETS – INVESTMENT PROPERTIES

Freehold land and buildings held as income producing investments

	Freehold Ground rents £	Freehold properties £	Total £
Market value at 1 April 2020	311,000	395,000	706,000
Property acquired	-	-	-
Elimination on disposals during the year	-	-	-
Revaluation of ground rents and properties in the year			
Market value at 31 March 2021	<u>311,000</u>	<u>395,000</u>	<u>706,000</u>
Cost at 31 March 2021	<u>180,749</u>	<u>460,000</u>	<u>640,749</u>

The investment properties have been valued in house by a review by the Board of Trustees assisted by Edward Rutledge FRIC who is a Trustee and it is considered that the valuation has not changed since 31st March 2020.

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

11 Other property, plant & equipment

	Fixtures & fittings £	Computer equipment £	Motor vehicles £	Total £
COST				
At 31 March 2020	200,518	57,214	9,070	266,802
Additions	20,859	588	-	21,447
Less Disposals	-	(748)	-	(748)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2021	<u>221,377</u>	<u>57,054</u>	<u>9,070</u>	<u>287,501</u>
DEPRECIATION				
At 31 March 2020	164,637	40,391	9,070	214,098
Charge for the year	18,195	7,025	-	25,220
Less Disposals	-	(78)	-	(78)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2021	<u>182,832</u>	<u>47,338</u>	<u>9,070</u>	<u>239,240</u>
NET BOOK VALUE				
At 31 March 2020	<u>35,881</u>	<u>16,823</u>	<u>-</u>	<u>52,704</u>
At 31 March 2021	<u>38,545</u>	<u>9,716</u>	<u>-</u>	<u>48,261</u>
Depreciation rates	25%	25%	25%	

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

12 LISTED INVESTMENTS – GENERAL INVESTMENTS

	Cost 2021 £	Cost 2020 £	Market value 2021 £	Market value 2020 £
Fixed interest	311,006	210,554	310,046	191,995
Equities and unit trusts	3,114,029	3,104,205	4,626,098	3,654,830
	<u>3,425,035</u>	<u>3,314,759</u>	<u>4,936,144</u>	<u>3,846,825</u>
Short term deposits	147,175	148,960	147,175	148,960
	<u>3,572,210</u>	<u>3,463,719</u>	<u>5,083,319</u>	<u>3,995,785</u>

Significant shareholdings

There are no significant shareholdings which individually represent more than 5% of the market value of the Charity's investment portfolio at 31 March 2021.

	£
COST	
At 1 April 2020	3,314,759
Investments acquired	947,456
	<u>4,262,215</u>
Investment disposals	(837,180)
	<u>3,425,035</u>
At 31 March 2021	<u><u>3,425,035</u></u>
MARKET VALUE ADJUSTMENT	
At 1 April 2020	532,066
Eliminated on sales	(772,074)
Adjustment for the year	1,751,117
	<u>1,511,109</u>
At 31 March 2021	<u><u>1,511,109</u></u>
MARKET VALUE	
At 31 March 2021	<u><u>4,936,143</u></u>
At 31 March 2020	<u><u>3,846,825</u></u>

All investments are quoted on the London stock exchange and have been acquired within the Trustees' powers.

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

	2021	2020
	£	£
13 DEBTORS		
Sundry debtors and prepayments	97,180	146,305
Almshouse contribution arrears	39,246	45,078
	<u>136,426</u>	<u>191,383</u>
14 CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)		
Almshouse contribution prepayments	102,261	124,093
Trade creditors	46,186	67,699
Government grants	20,119	20,007
Taxation and social security	24,689	23,599
Accruals and deferred income	240,805	163,288
Other creditors	10,458	18,873
	<u>444,518</u>	<u>417,559</u>
15 CREDITORS (AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR)		
Government grants:		
At 1 April 2020	1,567,958	1,524,450
Addition	-	63,515
Amortised in the year	(20,119)	(20,007)
At 31 March 2021	<u>1,547,839</u>	<u>1,567,958</u>
Amortisation charge < 1 year	<u>20,119</u>	<u>20,007</u>
Amortisation charge > 1 year	<u>1,527,720</u>	<u>1,547,951</u>

Total accumulated SHG received at the year-end amounted to £1,815,754.

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

16 FINANCIAL INSTRUMENTS

The carrying values of the Charity's financial assets and liabilities are summarised by category below:

	2021	2020
	£	£
Financial Assets		
Measured at undiscounted amount received		
• Rent arrears and other debtors (see Note 13)	136,426	191,383
• Amounts due from related undertakings (see Note 13)		-
	<u>136,426</u>	<u>191,383</u>
Measured at undiscounted amount payable		
• Trade and other creditors (see Note 14)	444,518	417,568
• Amounts owed to related undertakings (see Note 14)	-	
	<u>444,518</u>	<u>417,568</u>

17 OPERATING LEASE COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

Payments due:		
Within one year	10,344	10,344
Within 2 to 5 years	<u>51,720</u>	<u>51,720</u>
	<u>62,064</u>	<u>62,064</u>

18 CAPITAL COMMITMENTS

There were no capital commitments as at 31st March 2021 or 2020.

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

19 Linked Charities

The summary results and balance sheets for each of the 5 linked charities as at 31st March 2021 are as follows:

Statement of Comprehensive Income	Alms	Holte and Bracebridge	Holy Trinity	Care	Relief in need
	YE 31/3/21	YE 31/3/21	YE 31/3/21	YE 31/3/21	YE 31/3/21
	£	£	£	£	£
TURNOVER	1,951,394	63,706	31,515	1,172,214	16,546
Operating costs	(1,612,183)	(79,640)	(36,300)	(1,062,498)	(37,351)
Operating surplus/(loss)	339,211	(15,934)	(4,785)	109,716	(20,805)
Interest receivable and other income	226	9,246	125	0	98,449
Interest payable	2,227	0	0	424	68
Realised gains (loss)	0	5,406	8,052	0	138,291
SURPLUS/(DEFICIT) FOR THE YEAR	337,210	(1,282)	(3,392)	109,292	215,867
Unrealised gains on investments	0	38,635	6,728	0	870,261
NET INCOME(DEFICIT)	337,210	37,353	10,120	109,292	1,086,128

SIR JOSIAH MASON TRUST

FOR THE YEAR ENDED 31 MARCH 2021

19 Linked Charities continued

Balance Sheets	Alms 2021 £	Holte and Bracebridge 2021 £	Holy Trinity 2021 £	Care 2021 £	Relief in need 2021 £
FIXED ASSETS					
Housing properties	8,049,727	695,558	468,026	977,900	0
Investment properties	-	-	-	-	706,000
Other property	28,222	2,784	-	17,255	0
Listed Investments	-	280,313	85,835	-	4,717,171
	8,077,949	978,655	553,861	995,155	5,423,171
CURRENT ASSETS					
Inventories	1,150	-	-	1,971	
Trade and other debtors	237,015	7,142	1,445	35,454	7,070
Cash	1,066,560	104,856	84,270	393,676	908,985
	1,304,725	111,998	85,715	431,101	916,055
CREDITORS < 1year	(320,891)	(102,394)	(28,940)	(129,320)	(14,673)
Total assets less creditors <1 year	9,061,783	988,259	610,636	1,296,936	6,324,553
CREDITORS>1 year	(1,527,720)	-	-	-	-
NET ASSETS	7,534,063	988,259	610,636	1,296,936	6,324,553
RESERVES					
Endowment	0	956,994	86,229	0	5,779,859
Revenue	2,274,682	31,265	461,882	1,296,936	179,694
Designated	5,259,381	0	62,525	0	365,000
	7,534,063	988,259	610,636	1,296,936	6,324,553

NOTES TO THE FINANCIAL STATEMENTS

SIR JOSIAH MASON TRUST

FOR THE YEAR ENDED 31 MARCH 2021

20 Fair Value of Assets from charities acquired on 1st July 2019

	Holte & Bracebridge £	Holy Trinity £	Total £
Housing Properties	730,000	490,000	1,220,000
Investments	266,010	87,642	353,652
Other debtors	0	0	0
Cash	7,649	48,381	56,030
Other creditors	-	(7,975)	(7,975)
Total	1,003,659	618,048	1,621,707

21 Post Balance Sheet Event

On 8th June 2021 Thomas Banks Almshouses transferred to Sir Josiah Mason Trust as a new linked charity.