



SIR JOSIAH MASON TRUST

**TRUSTEES' REPORT &
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDING 31 MARCH 2019**

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 - 12
Independent Auditor's Report	13 - 15
Statement of Comprehensive Income	16
Statement of Financial Position	17
Statement of Changes in Reserves	18
Statement of Cash Flows	19
Notes to the Financial Statements	20 - 35

SIR JOSIAH MASON TRUST

Trustees, Officers and Advisors

Trustees	Mrs J Houlder– Chair Ms A Crawley Mr M H Goodwin Councillor Mr K I Meeson Mrs B Foster Councillor Mr G Moore Mr M Baylis Mr P Soule Mr J Pyke
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
Solicitors	Brabners Horton House, Exchange Flags, Liverpool, L2 3YL
Auditor	Mazars LLP 45 Church Street Birmingham B3 2RT
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 2019.

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 2014 and the Accounting Direction for Private Registered Providers of Social Housing 2015. 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, Sir Josiah Mason's Relief in Need and Educational Charity and Sir Josiah Mason's Care Charity. 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 takes effect for the whole of the financial year 2018-2019.

The original Trust Deed was dated 29 July 1868.

TRUSTEES

Trustees shall be nominated or elected. Nominated Trustees should consist of no more than two by the City Council of Birmingham*** and no more than two by 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 were:

Mrs J Houlder – Chair
Councillor K I Meeson**
Mr M H Goodwin**
Ms A Crawley
Mr P Soule

Mrs B Foster
Councillor Mr G Moore***
Mr M Baylis
Mr J Pyke

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.

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.

SIR JOSIAH MASON 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

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.

SIR JOSIAH MASON TRUST

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.
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.

		2017-2018	2018-2019
1.	Reinvestment %	3.79%	1.67%
2 a.	New supply delivered % (Social Housing units)	Zero %	Zero %
2 b.	New supply delivered % (Non-Social Housing units)	Zero %	Zero %
3.	Gearing %	Zero %	Zero %
4.	Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included Interest Cover %	Zero %	Zero %
5.	Headline Social Housing Cost Per Unit	£13,380	£12,508
6 a.	Operating Margin (social housing lettings) %	3.27%	5.56%
6 b.	Operating Margin (overall) %	17.61%	18.62%
7.	Return on Capital Employed (ROCE) %	3.00%	3.22%

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 development in both 2017/18 and 2018/19 has been funded through reserves.

SIR JOSIAH MASON TRUST

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) %.

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 first Value for Money report are a mixture of both hard financial type data and targets related to social impact, given that our mission defined by our charitable objects.

		2017-2018	2018-2019	Target 19-20
1.	Occupancy	95%	94%	95%
2.	Resident Satisfaction (Value for Money – Very/Fairly Satisfied)	-	93%	88%
3.	Rent collected (as a percentage of rent owed)	103%	102%	99%
4.	Increased reach (new units)	1	0	13

FINANCIAL REVIEW

Income from lettings of the Almshouse properties and Alexandra House, the care home, increased by £71,593 in the year despite higher levels of voids arising from remodelling and refurbishing 10 flats in the year and longer re-let times. Other Income remained almost unchanged from the previous year as Alexandra House received grants from Relief in Need and Educational Charity to help fund the care home's running costs and pay for a new heating boiler that had broken down in the last month of the year. Loss of income through voids, both lettable and unlettable, increased by £1,025 to £260,207 in the year.

Occupancy rates for the year as a whole were 90%. In the Almshouse properties it was 94% as the continuing bedsit conversion programme resulted in bedsits remaining unlettable for an average 6 weeks during conversion. At Alexandra House, voids averaged 14% in the year

SIR JOSIAH MASON TRUST

as rooms became progressively difficult to let midway through the year. Referrals from Solihull MBC picked up later in the year including three "hospital to home" referrals which started from October 2018 through to the end of the year.

Expenditure on lettings increased by £9,908, just 0.41% above the previous year. This increase was attributable to:-

- a) Finance and Administration Expenditure rising by £7,045/1.25% due to:-
 - Legal and Professional fees incurred on internal audit, legal costs relating to changes in the legal status of the Trust's three Charities, and business plans, design plans and a survey of the Olton site.
 - Significant savings were made in staff related costs such as recruitment and training when compared with the previous year 2018 when exceptional one off costs were incurred with the departure of the existing CEO and the recruitment of his replacement.
- b) Management costs fell by £11,200 as a direct result of lower staffing costs arising from lower occupancy levels at Alexandra House and a reduction in the bad debt provision. Increased depreciation arising from the continuing capital improvement to the Charity's housing stock offset some of these savings.
- c) Spending on services rose by £20,765 as a result of higher spending on utilities, especially electricity, grounds maintenance and security. All of this increased spending in the year was largely offset by reduced spending on staffing costs and household expenses such as catering and cleaning.
- d) Repairs to the fabric of the housing stock was responsible for costs increasing by £23,676.

The result for the year for letting of housing stock was an operating surplus of £175,131 (2018 £110,651) which generated a healthy cash flow which in turn was used to fund a continuing capital improvement programme. These surpluses over the years have enabled the acceleration of investment plans to our housing stock enabling significant improvements in the year including:-

- 1 bedsit conversion into one bedroom self-contained flat,
- The refurbishment of kitchens and bathrooms to 9 flats,
- Carpeting of remodelled/refurbished flats,
- New CCTV system at Olton site,
- A stair lift for Mason Court, and
- A new boiler for Alexandra House.

Expenditure on the fabric of the Charity's buildings amounted to £1,727,566 (2018 £517,550) in the year and of this expenditure, £1,497,733 (2018 £352,146) was capitalised and funded through Revenue Reserves.

Dividend income from equities and fixed interest fell in the year by £7,254 to £109,077 when compared with 2018 (£116,331) due to market conditions though income from bank and building society deposits improved by £1,003 over 2018.

SIR JOSIAH MASON TRUST

Realised gains on the sale of investments generated a surplus of £27,437. Unrealised gains from the portfolio amounted to £174,472 by the end of the year.

Grants totalling £81,486 were made in the year:-

- £15,000 to the University of Birmingham,
- £66,486 to SJM Care Charity to help cover in the day to day running costs including the purchase of a new boiler, and
- £2,700 winter fuel allowance to the residents at Mason Cottages of the SJM Almshouse Charity.

There was an increase in the market value of the investment portfolio including short term deposits of £186,003 in the year (2018 decrease £4,002).

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 3 months running costs in reserve to allow for a proper run down.
4. New Developments/projects.

The level of Reserves Trustees believe we need

From 2019, the Trustees have agreed to accumulate and maintain the following level of reserves:

- | | |
|---|----------|
| 1. Sinking Fund (Almhouse): | £565,000 |
| 2. Cyclical maintenance: | £162,294 |
| 3. Contingency Fund: | £552,129 |
| 4. New Developments/projects: | |
| a. £200,000 - Investment property (RiN) | |
| b. £165,000 - Children and young people's pilot project 2019-2023 (RiN) | |
| c. £4 million - Trustees have resolved to accumulate reserves for a future capital development projects including refurbishment and new developments. | |

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 comprise an Endowment Investment Fund, unrestricted and restricted fund investments. The investment objectives for these three funds is identical.
- The minimum investment objective from 2019-2020 is to achieve an income target of £115K and growth in the value of the portfolio: 4% pa over a 5 year rolling period.
- For investment purposes all three funds are amalgamated and the management of these funds is delegated to a professional fund manager authorised by the FCA under a discretionary management agreement as determined by Trustees following an annual performance review with the 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

Trustees have given full consideration of Brexit and the potential impact upon the charity and have undertaken an Impact Assessment and have put measures in place to manage any potential risks.

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 2019-2020, the Trust will achieve these goals by:

- To become corporate trustee of 2 smaller of Almshouse charities.
- To complete the extension of Mason House.
- To complete a long term development plan for the Olton site.
- To launch a pilot project for children and young people.
- To undertake a review of our investment strategy.
- To explore potential development sites for the future.
- To seek funding to undertake improvements at Alexandra House.
- To further develop a sustainable future model of care.
- To complete a Transformation Plan in Care and work towards a 'Good' rating.
- To review how we measure the outcomes we have helped people achieve and the difference we make and provide more opportunities for the people who access our services to have say in how they are developed and how they are run.
- To review our policies and practices to ensure that all we do promotes and recognises the value that equality and diversity bring to our organisation.

- To work with staff to identify how we can best champion reward, recognition and wellbeing in our workplace

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. 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 membership of the National Housing Federation which provided £30,000,000 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.

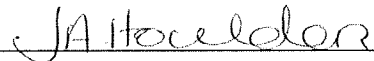
DISCLOSURE OF INFORMATION TO THE AUDITOR

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

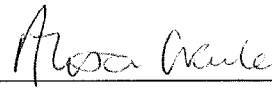
- so far as each of the Trustees are aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- each of the Trustees has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information (as defined) and to establish that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

The report was approved by the Board of Trustees on 20th September 2019 and signed on their behalf by:

Mrs Julie Houlder – Chair



Ms Alison Crawley – Chair of Finance & Performance



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 'trust') for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cash Flows 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 trust's affairs as at 31 March 2019 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 2015.

Basis for opinion

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

The impact of uncertainties due to Britain exiting the European Union on our audit.

The Board's view on the impact of Brexit is disclosed on page 10.

The terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is therefore not currently possible to evaluate all the potential implications to Sir Josiah Mason Trust's trade, tenants, suppliers and the wider economy.

We considered the impact of Brexit on Sir Josiah Mason Trust as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with Sir Josiah Mason Trust's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible implications for Sir Josiah Mason Trust and this is particularly the case in relation to Brexit.

Conclusions relating to going concern

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

- the Board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the Board has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- the trust has not kept proper books of account; or
- a satisfactory system of control over transactions has not been maintained; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Statement of the Trustees' responsibilities set out on page 11, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the trust'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 intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard.

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 trust's members as a body in accordance with Section 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 trust'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 trust and the trust's members as a body for our audit work, for this report, or for the opinions we have formed.



David Hoose (Senior Statutory Auditor)

for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
45 Church Street
Birmingham
B3 2RT

Date: 24/9/19

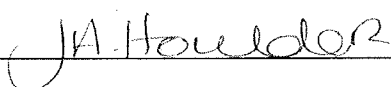
SIR JOSIAH MASON TRUST

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

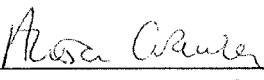
	Notes	2019 £	2018 Combined £
TURNOVER	3	2,625,926	2,553,981
Operating costs	3	(2,450,795)	(2,443,330)
OPERATING SURPLUS	3	175,131	110,651
Interest receivable and other income	5a	112,574	118,825
Interest and financing costs	5b	(2,482)	(2,529)
Realised gains/(losses) on investment assets		27,437	(5,283)
SURPLUS FOR THE YEAR	6	312,660	221,664
Unrealised gains on investment assets:			
- Freehold ground rents and properties		-	200,184
- Listed investments		174,742	18,338
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		487,402	440,186

The financial statements on pages 16 to 35 were approved and authorised for issue by the Trustees on 20th September 2019 and were signed on their behalf by:-

Mrs Julie Houlder – Chair



Ms Alison Crawley – Chair of Finance & Performance



SIR JOSIAH MASON TRUST

STATEMENT OF FINANCIAL POSITION
FO THE YEAR AS AT 31 MARCH 2019

	Notes	2019 £	2018 Combined £
TANGIBLE FIXED ASSETS			
Housing properties – cost less depreciation	9	8,988,286	7,678,906
Investment properties	10	640,749	640,749
Other property, plant & equipment	11	46,256	74,456
Listed investments	12	4,154,502	3,968,499
		<u>13,829,793</u>	<u>12,362,610</u>
CURRENT ASSETS			
Inventories		3,469	4,630
Trade and other receivables	13	162,252	176,501
Cash and cash equivalents		1,569,044	2,354,467
		<u>1,734,765</u>	<u>2,535,598</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14	<u>(406,198)</u>	<u>(209,730)</u>
NET CURRENT ASSETS		<u>1,328,567</u>	<u>2,325,868</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		15,158,360	14,688,478
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	15	<u>(1,506,928)</u>	<u>(1,524,450)</u>
NET ASSETS		13,651,432	13,164,028
RESERVES			
Endowment capital account		5,152,602	4,950,422
Revenue reserves		8,478,788	8,193,564
Designated reserves		20,042	20,042
		<u>13,651,432</u>	<u>13,164,028</u>

The financial statements on pages 16 to 35 were approved and authorised for issue by the Trustees on 20th September 2019 and were signed on their behalf by:-

Mrs Julie Houlder – Chair

JA Houlder

Ms Alison Crawley – Chair of Finance & Performance

Alison Crawley

SIR JOSIAH MASON TRUST

STATEMENT ON CHANGES IN RESERVES
FOR THE YEAR AS AT 31 MARCH 2019

	2019	2018 Combined
	£	£
<i>Revenue reserves</i>		
BALANCE AT 1 APRIL 2018	8,193,565	7,966,618
Surplus from statement of Comprehensive income	285,223	226,947
BALANCE AT 31 MARCH 2019	<u>8,478,788</u>	<u>8,193,565</u>
<i>Endowment Capital account</i>		
BALANCE AT 1 APRIL 2018	4,950,422	4,737,183
(Deficit)/ surplus on sale of:		
- Ground rents	-	-
- Investments	27,437	(5,283)
Movement on unrealised surplus on properties	-	200,184
Movement on unrealised surplus on investments	174,742	18,338
BALANCE AT 31 MARCH 2019	<u>5,152,602</u>	<u>4,950,422</u>
<i>Designated reserves</i>		
BALANCE AT 1 APRIL 2018	20,042	20,042
Surplus from statement of Comprehensive income	-	-
Transfer from cyclical maintenance	-	-
BALANCE AT 31 MARCH 2019	<u>20,042</u>	<u>20,042</u>

SIR JOSIAH MASON TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR AS AT 31 MARCH 2019**

	Notes	2019		2018 Combined	
		£	£	£	£
NET CASH GENERATED FROM OPERATING ACTIVITIES	A		957,552		831,465
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest received		3,224		2,494	
Interest and financing costs		(2,482)		(2,529)	
			742		(35)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of housing properties		(1,497,735)		(352,146)	
Investments: Purchases		(226,550)		(407,538)	
Purchase of other fixed assets		(19,432)		(27,091)	
			(1,743,717)		(786,775)
NET CHANGE IN CASH AND CASH EQUIVALENTS			(785,423)		44,655
Cash and cash equivalents at the beginning of the year			2,354,467		2,309,812
Cash and cash equivalents at the end of the year			1,569,044		2,354,467

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

	2019	2018 Combined
	£	£
Surplus for the year	487,402	440,186
Movement in debtors	34,168	(40,109)
Movement in creditors	177,714	23,988
Deficit/(surplus) on disposal of fixed assets	23,030	9,470
Depreciation	212,956	204,063
Movement in investments	40,546	211,354
Movement in capital grants	(17,522)	(17,522)
Interest receivable	(3,224)	(2,494)
Interest and financing costs	2,482	2,529
Net cash inflow from operating activities	957,552	831,465

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

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 2015 and the Statement of Recommended Practice for Registered Social Housing Providers 2014 (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.

Merger

On 14 June 2018, a new entity, Sir Josiah Mason Trust 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.

(b) **Turnover**

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

(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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

(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.

(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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

(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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

3 TURNOVER AND OPERATING COSTS

	Turnover £	2019 Operating costs £	Operating surplus £	Turnover £	2018 Operating costs £	Operating surplus £
Income and expenditure from Lettings						
Alms' & Care accommodation	2,594,746	(2,450,504)	144,242	2,523,153	(2,440,596)	82,557
Other income and expenditure						
Catering	492	-	492	454	-	454
Donations & Grants	3,145	-	3,145	1,227	-	1,227
Other income and expenditure	11,162	(291)	10,871	13,828	(2,734)	11,094
Rental income from investment Properties	16,381	-	16,381	15,319	-	15,319
Total	2,625,926	(2,450,795)	175,131	2,553,981	(2,443,330)	110,651

	2019 £	2018 £
4 INCOME AND EXPENDITURE FROM LETTINGS		
Income:		
Rents net of voids	1,791,264	1,725,147
Service charges net of voids	681,826	676,996
Supporting People grants	104,134	103,488
Amortisation of SHG	17,522	17,522
	<u>2,594,746</u>	<u>2,523,153</u>
Expenditure:		
Services	829,951	817,253
Management	1,281,848	1,304,757
Repairs and maintenance	338,705	318,586
	<u>2,450,504</u>	<u>2,440,596</u>
Operating surplus on letting activities	<u>144,242</u>	<u>82,557</u>
Void Losses	<u>260,207</u>	<u>259,182</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

	2019	2018 Combined
	£	£
5a INTEREST RECEIVABLE AND SIMILAR INCOME		
Fixed interest investments	10,389	8,707
Equities	98,688	107,624
Bank and building societies	3,497	2,494
	<u>112,574</u>	<u>118,825</u>
	<u><u>112,574</u></u>	<u><u>118,825</u></u>
	2019	2018
	£	£
5b INTEREST AND FINANCING COSTS		
Bank interest and charges	2,482	2,529
	<u>2,482</u>	<u>2,529</u>
	<u><u>2,482</u></u>	<u><u>2,529</u></u>
No interest was capitalised in the year (2018 £nil).		
6 SURPLUS FOR THE YEAR		
Surplus for the year is stated after charging:		
Staff costs (note 7)	1,294,346	1,529,375
Depreciation of tangible owned fixed assets	212,956	204,063
Auditor's remuneration:		
In their capacity as auditor	14,148	13,725
Other services	16,520	3,368
	<u>14,148</u>	<u>13,725</u>
	<u><u>16,520</u></u>	<u><u>3,368</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

	2019	2018 Combined
	£	£
7 STAFF COSTS		
Salaries	1,169,025	1,382,316
Social security costs	87,889	100,717
Other pension costs	37,432	46,342
	<u>1,294,346</u>	<u>1,529,375</u>
Agency staff	<u>132,584</u>	<u>26,376</u>
Highest paid employee (CEO) (excluding pension contributions)	<u>75,000</u>	<u>83,905</u>

The salary cost in 2018 related to two CEO's in post for part of the year when the then incumbent CEO departed and his replacement started.

No other employee was paid in excess of £60,000 in the year.

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

	Number	Number
Office	6	9
Carers & other site staff	50	46
Total employees	<u>56</u>	<u>55</u>

	2019	2018
	£	£
8 TRUSTEES' REMUNERATION		
Out of pocket expenses reimbursed in the year.	<u>248</u>	<u>697</u>

SIR JOSIAH MASON TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

9 FIXED ASSETS – HOUSING PROPERTIES

	Completed Properties £	Under Construction £	Care Home £	Total £
COST				
At 1 April 2018, combined	7,843,670	63,280	1,062,717	8,969,667
Additions – completed	102,270	-	23,832	126,102
Additions – under construction	-	1,371,631	-	1,371,631
Less Disposals	(1,881)	-	-	(1,881)
At 31 March 2019	<u>7,944,059</u>	<u>1,434,911</u>	<u>1,086,549</u>	<u>10,465,519</u>
DEPRECIATION				
At 1 April 2018, combined	1,207,917	-	82,844	1,290,761
Charge for the year	177,140	-	9,774	186,914
Less Disposals	(442)	-	-	(442)
At 31 March 2019	<u>1,384,615</u>	<u>-</u>	<u>92,618</u>	<u>1,477,233</u>
NET BOOK VALUE				
At 31 March 2018, combined	<u>6,635,753</u>	<u>63,280</u>	<u>979,874</u>	<u>7,678,907</u>
At 31 March 2019	<u>6,559,444</u>	<u>1,434,911</u>	<u>993,931</u>	<u>8,988,286</u>

All housing properties are freehold and completed. Total expenditure on works to existing properties amounted to £1,727,566 (2018 £517,550). Of this expenditure, £1,497,733 (2018 £352,146) was capitalised in the year.

	2019 No's	2018 Combined No's
Units in Management	206	204
Units in Development at Mason House	13	13
	<u>219</u>	<u>217</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

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 2018, combined	180,749	460,000	640,749
Property acquired	-	-	-
Elimination on disposals during the year	-	-	-
Revaluation of ground rents and properties in the year	-	-	-
	<u>180,749</u>	<u>460,000</u>	<u>640,749</u>
Market value at 31 March 2019	<u>180,749</u>	<u>460,000</u>	<u>640,749</u>
	<u>180,749</u>	<u>460,000</u>	<u>640,749</u>
Cost at 31 March 2019	<u>180,749</u>	<u>460,000</u>	<u>640,749</u>

The freehold ground rents have been valued by Bruton Knowles at their estimated open market value in March 2012 and Properties (26 & 28 Hartshill Road) in February 2018 by Robert Aston.

SIR JOSIAH MASON TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

11 Other property, plant & equipment

	Fixtures & fittings £	2019 Computer equipment £	Motor vehicles £	Total £
COST				
At 31 March 2018, combined	204,585	42,947	9,070	256,602
Additions	18,076	1,356	-	19,432
Less Disposals	(43,182)	-	-	(43,182)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2019	<u>179,479</u>	<u>44,303</u>	<u>9,070</u>	<u>232,852</u>
DEPRECIATION				
At 31 March 2018, combined	145,676	27,400	9,070	182,146
Charge for the year	20,071	5,971	-	26,042
Less Disposals	(21,592)	-	-	(21,592)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2019	<u>144,155</u>	<u>33,371</u>	<u>9,070</u>	<u>186,596</u>
NET BOOK VALUE				
At 31 March 2018, combined	<u>58,909</u>	<u>15,547</u>	<u>-</u>	<u>74,456</u>
At 31 March 2019	<u>35,324</u>	<u>10,932</u>	<u>-</u>	<u>46,256</u>
Depreciation rates	25%	25%	25%	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

12 LISTED INVESTMENTS – GENERAL INVESTMENTS

	Cost 2019 £	Cost 2018 Combined £	Market value 2019 £	Market value 2018 Combined £
Fixed interest	344,175	363,729	352,476	393,023
Equities and unit trusts	2,509,665	2,417,911	3,636,145	3,480,836
	2,853,840	2,781,640	3,988,621	3,873,859
Short term deposits	165,881	94,640	165,881	94,640
	3,019,721	2,876,280	4,154,502	3,968,499

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 2019.

	£
COST	
At 1 April 2018, combined	2,781,640
Investment acquired	471,808
	<u>3,853,448</u>
Investment disposals	(399,608)
At 31 March 2019	<u>2,853,840</u>
MARKET VALUE ADJUSTMENT	
At 1 April 2018, combined	1,092,219
Eliminated on sales	(129,348)
Adjustment for the year	171,910
At 31 March 2019	<u>1,134,781</u>
MARKET VALUE	
At 31 March 2019	<u>3,988,621</u>
At 31 March 2018, combined	<u>3,873,859</u>

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

SIR JOSIAH MASON TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

	2019	2018
	£	Combined £
13 DEBTORS		
Sundry debtors and prepayments	134,042	137,680
Almshouse contribution arrears	28,210	38,821
	<u>162,252</u>	<u>176,501</u>
14 CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)		
Almshouse contribution prepayments	38,578	48,102
Trade creditors	247,859	51,723
Government grants	17,522	17,522
Taxation and social security	22,534	24,428
Accruals and deferred income	61,208	54,433
Other creditors	18,497	13,522
	<u>406,198</u>	<u>209,730</u>
15 CREDITORS (AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR)		
Government grants:		
At 1 April 2018	1,541,973	1,559,495
Amortised in the year	(17,523)	(17,522)
At 31 March 2019	<u>1,524,450</u>	<u>1,541,973</u>
Amortisation charge < 1 year	<u>17,522</u>	<u>17,523</u>
Amortisation charge > 1 year	<u>1,506,928</u>	<u>1,524,450</u>

Total accumulated SHG received at the year-end amounted to £1,752,241

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

16 FINANCIAL INSTRUMENTS

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

	2019	2018
	£	Combined £
Financial Assets		
Measured at undiscounted amount received		
• Rent arrears and other debtors (see Note 13)	162,252	176,501
• Amounts due from related undertakings (see Note 13)	51	1,898
	<u>162,303</u>	<u>178,399</u>
Measured at undiscounted amount payable		
• Trade and other creditors (see Note 14)	406,197	210,383
• Amounts owed to related undertakings (see Note 14)	51	1,898
	<u>406,248</u>	<u>212,281</u>

17 OPERATING LEASE COMMITMENTS

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

Payments due:		
Within one year	1,708	2,929
Within 2 to 5 years	-	1,708
	<u>1,708</u>	<u>4,637</u>

18 CAPITAL COMMITMENTS

The above commitments will be financed via existing cash reserves.

	<u>280,664</u>	<u>1,691,296</u>
--	----------------	------------------

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

19 POST BALANCE SHEET EVENT

Two Almshouse charities have expressed their wish for SJMT to become their Corporate Trustee and this was completed on 1st July 2019;

- Holte and Bracebride Charity
- Holy Trinity Heath Town Almshouse Charity.

20 GROUP RECONSTRUCTION

Merger

On 14 June 2018, a new entity, Sir Josiah Mason Trust was incorporated under the Companies Act 2006, as a private company, limited by guarantee. The assets and liabilities of the following entities were not merged, but are still retained by the individual charities under the management of the corporate trusteeship of 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.

The Sir Josiah Mason Charity was formed on 11th September 2018 and a linked order on 18th January 2019.

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

SIR JOSIAH MASON TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

20 GROUP RECONSTRUCTION (continued)

Comprehensive Income for the Year Ended 31 March 2018

	Sir Josiah Mason's Almshouse Charity	Sir Josiah Mason's Care Charity	Sir Josiah Mason's Relief in Need and Educational Charity	2018 Combined £
	2018 £	2018 £	2018 £	2018 £
Turnover	1,705,713	833,599	14,669	2,553,981
Operating Expenditure	(1,474,053)	(922,244)	(47,033)	(2,443,330)
Operating Surplus	<u>231,660</u>	<u>(88,645)</u>	<u>(32,364)</u>	<u>110,651</u>
Interest receivable and similar costs	-	-	118,825	118,825
Interest and financing costs	(1,924)	(531)	(74)	(2,529)
Realised gains/(losses) on investment assets	-	-	(5,283)	(5,283)
Surplus for the year	<u>229,736</u>	<u>(89,176)</u>	<u>81,104</u>	<u>221,664</u>
Unrealised gains on investment assets:				
- Freehold ground rents and properties	-	-	200,184	200,184
- Listed Investments	-	-	18,338	18,338
Total comprehensive income for the year	<u>229,736</u>	<u>(89,176)</u>	<u>299,626</u>	<u>440,186</u>

SIR JOSIAH MASON TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

20 GROUP RECONSTRUCTION (continued)

The Group reconstruction adjustments taken place have been shown below:

	Sir Josiah Mason's Almshouse Charity as at 31.03.2018	Sir Josiah Mason's Care Charity as at 31.03.2018	Sir Josiah Mason's Relief in Need and Educational Charity as at 31.03.2018	Combined as at 31.03.2018
	£	£	£	£
Fixed assets				
Housing properties	6,699,033	979,873	640,749	8,319,655
Intangible assets			-	-
Other property, plant & equipment	33,896	40,560	-	74,456
Fixed asset investments	-	-	3,968,499	3,968,499
	<u>6,732,929</u>	<u>1,020,433</u>	<u>4,609,248</u>	<u>12,362,610</u>
Current assets				
Debtors	84,120	74,779	22,232	181,131
Cash at bank and in hand	1,534,942	123,183	696,342	2,354,467
	<u>1,619,062</u>	<u>197,962</u>	<u>718,574</u>	<u>2,535,598</u>
Creditors				
Amounts falling due within one year	(160,959)	(41,373)	(7,398)	(209,730)
Net current assets	<u>1,458,103</u>	<u>156,589</u>	<u>711,176</u>	<u>2,325,868</u>
Total assets less current liabilities	<u><u>8,191,032</u></u>	<u><u>1,177,022</u></u>	<u><u>5,320,424</u></u>	<u><u>14,688,478</u></u>
Creditors				
Amounts falling due after more than one year	(1,524,450)	-	-	(1,524,450)
	<u>(1,524,450)</u>	<u>-</u>	<u>-</u>	<u>(1,524,450)</u>
Net Assets	<u><u>6,666,582</u></u>	<u><u>1,177,022</u></u>	<u><u>5,320,424</u></u>	<u><u>13,164,028</u></u>
Capital and reserves				
Endowment capital account	-	-	4,950,422	4,950,422
Revenue reserves	6,666,582	1,156,980	370,002	8,193,564
Designated reserves	-	20,042	-	20,042
	<u>6,666,582</u>	<u>1,177,022</u>	<u>5,320,424</u>	<u>13,164,028</u>

SIR JOSIAH MASON TRUST

