

THE NEWMAN TRUST HOMES

REPORT AND FINANCIAL STATEMENTS

5th April 2022

Registered charity number 501567

THE NEWMAN TRUST HOMES

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 5th April 2022

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THE NEWMAN TRUST HOMES

LEGAL AND ADMINISTRATIVE DETAILS

For the year ended 5th April 2022

Address of charity: C/o Tyndallwoods
29 Woodbourne Road
Edgbaston
BIRMINGHAM
B17 8BY

Charity number: 501567

Trustees Mrs J Dyke
Ms D Gauton
Ms S Thomas
Ms Y Messam
Mrs M Baker
Mrs R Fox

Bankers: Lloyds TSB
125 Colmore Row
BIRMINGHAM
B3 3AD

Investment Brokers: Smith and Williamson
Investment Management
Third Floor
9 Colmore Row
BIRMINGHAM
B3 2BJ

Independent Examiner: Mr P Georgiades FCA
Chartered Accountant
Flint & Thompson
2-6 Manor Square,
Solihull
B91 3PX

THE NEWMAN TRUST HOMES

TRUSTEES' REPORT

For the year ended 5th April 2022

The Trustees present their report, together with the Financial Statements of the Charity for the year ended 5th April 2022. The Financial Statements have been prepared in accordance with the accounting policies set out on pages 8 and 9 and comply with the Charity's Trust Deed, the Charities Act 2011 and have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the Annual Report and Financial Statements of the Charity.

Objectives and activities for the public benefit

The Charity was formed in 1972 under the will of Henry James Newman to build and manage four homes in the Handsworth district of Birmingham for elderly residents. The Charity was reconstituted on 6th April 1998 under a Scheme of the Commissioners and continues to provide housing for the elderly and to generally relieve poverty by way of donation. The Trustees ensure that the Charity's assets are maintained in good order. When considering the Charity's activities the Trustees are mindful of the Charity Commission's guidelines on public benefit.

The Trustees who have served throughout the year are:-

Mrs J Dyke
Ms D Gauton
Ms S Thomas
Ms Y Messam
Mrs M Baker
Mrs R Fox

Structure, Governance and management

- Organisational structure and decision making
The Board of Trustees are the ultimate control in the party of the charity.
- Selection and appointment of Trustees
The selection and appointment of new Trustees is determined by the Board of Trustees in office at that time. This policy is based on a complementary age profile, general experience in managing charities and also to provide complementary skills to the other Trustees.
- Policies adopted for the induction and training of trustees

Newly appointment Trustees are provided with a thorough introduction via the Charity Commission Guidance The essential trustee to the workings of the charity and are provided with all necessary information which will enable them to properly fulfil their role as Trustees.

Achievements and performance

- The significant activities for achieving the objectives are: as detailed in the accounts. Grants are made following applications made to the Trustees 6 times per year. The day to day management of the bungalows is managed by BCOP referring significant expenditure needs to the Trustee meetings or if urgent via the clerk.

Financial review

- Going concern
After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operation existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The charity generated a surplus of £28,892 (2021 Surplus £578,324) in the financial year. At the year end, the charity has unrestricted reserves of £1,509,690. The cash at bank balance has decreased from £27,990 to £22,599.

THE NEWMAN TRUST HOMES

TRUSTEES' REPORT (CONTINUED)

For the year ended 5th April 2022

During the year the Charity made grants to five individuals amounting to £4,214 (2021: £4,803).

- **Principal risk and uncertainties**
The principal risk faced by the charity is the potential market value of investments decreasing and loss of rents received. However we use a stocker broker to manage our investments and a agent to manage the rents received by tenants.
- **Reserves policy**
In the opinion of the Trustees the Charity's assets are available and adequate to fulfil the objects of the Charity. The level of reserves held is sufficient to enable the Charity to operate at its current level for the foreseeable future.
- **Grant Making**
Unrestricted funds comprise the accumulated surpluses and deficits on general funds and the cumulative realised and unrealised gains on investments. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives. In addition, the Trustees may designate certain funds for particular purposes.

Plans for future periods

- To continue to use a stock broker to manage our investments and agent to manage our rent receivable from the investment property.
- **Investment Powers and Policy**
The Trustees have discretion over the investment power of the funds. The investments are long-term assets, the purpose of which is to generate income and capital growth that will maintain real value to finance the funds' expenditure on its charitable objectives.

THE NEWMAN TRUST HOMES

TRUSTEES' REPORT (CONTINUED)

For the year ended 5th April 2022

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgement and estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure that the Financial Statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and provision of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Trustees



Mrs J Dyke
Signed on behalf of the Trustees

October 19 2022

THE NEWMAN TRUST HOMES
REPORT OF THE INDEPENDENT EXAMINER
For the year ended 5th April 2022
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE NEWMAN TRUST HOMES

I report to the charity trustees on my examination of the accounts of the charity for the year ended 5th April 2022, which are set out on pages 6 to 12.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

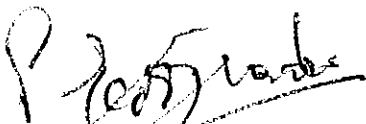
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

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

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


Peter Georgiadis BA FCA
Chartered Accountant
2-6 Manor Square
Solihull
B91 3PX

October 19 2022

**THE NEWMAN TRUST HOMES
STATEMENT OF FINANCIAL ACTIVITIES**

For the year ended 5th April 2022

	Note	Unrestricted Funds			Funds	
		Designated	Designated	Unrestricte	Total	Total
		Extraordinary	Cyclical	d		
		2022	2022	2022	2022	2021
		£	£	£	£	£
Activities for generating funds						
Rent receivable & other income		-	-	21,362	21,362	19,847
Income from investments	2	-	-	25,739	25,739	22,423
Total income		<u>-</u>	<u>-</u>	<u>47,101</u>	<u>47,101</u>	<u>42,270</u>
Expenditure on charitable activities						
Charitable expenditure						
Support costs	3	-	-	20,718	20,718	15,614
Management and administration	4	-	-	25,677	25,677	23,496
Total expenditure		<u>-</u>	<u>-</u>	<u>46,395</u>	<u>46,395</u>	<u>39,110</u>
Net income/(expenditure)		-	-	706	706	3,160
Property revaluation				-	-	330,379
Gains and losses on investments						
Unrealised gains/(losses)	7	-	-	(2,947)	(2,947)	233,787
Realised gains/(losses)		<u>-</u>	<u>-</u>	<u>31,133</u>	<u>31,133</u>	<u>10,998</u>
Net movement in funds		<u>-</u>	<u>-</u>	<u>28,892</u>	<u>28,892</u>	<u>578,324</u>
Interfund Transfers	11	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		-	-	28,892	28,892	578,324
Balance at 6 April 2021		4,535	15,035	1,461,228	1,480,798	902,474
Balance at 5 April 2022	11	<u>4,535</u>	<u>15,035</u>	<u>1,490,120</u>	<u>1,509,690</u>	<u>1,480,798</u>

There are no recognised gains or losses other than the profit £28,892 (2021: Surplus £578,324) disclosed above.

All the charity's operations are continuing operations and there were no operations discontinued or acquired during the year.

THE NEWMAN TRUST HOMES

BALANCE SHEET

At 5th April 2022

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Tangible	6		400,000		400,000
Investments	7		<u>1,077,057</u>		<u>1,048,767</u>
			<u>1,477,057</u>		<u>1,448,767</u>
CURRENT ASSETS					
Cash at bank and in hand	8	22,599		27,990	
Debtors	9	<u>17,449</u>		<u>11,121</u>	
		40,048		39,111	
CREDITORS: amounts falling due within one year	10	<u>7,415</u>		<u>7,080</u>	
NET CURRENT ASSETS			32,633		32,031
NET ASSETS			<u>1,509,690</u>		<u>1,480,798</u>
Represented by					
Unrestricted funds	11		1,509,690		1,480,798
			<u>1,509,690</u>		<u>1,480,798</u>

The financial statements on pages 5 to 12 were approved by the Board of Trustees on October 19 2022 and signed on its behalf by:



Mrs J Dyke
Chairman

THE NEWMAN TRUST HOMES
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 5th April 2022

1 PRINCIPAL ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 as updated through Update Bulletin 1 published on 2 February 2016, the Financial Reporting Standard (FRS 102) and the Charities Act 2011.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on the basis of historical cost, with the exception of investments which are shown at market value.

The charity constitutes a public benefit entity as defined by FRS 102. The charity is regarded as a small entity and has therefore taken all necessary exemptions available under FRS 102.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern as they consider that there are sufficient cash reserves to meet the charity's liabilities as they fall due.

(b) Income Recognition

Charitable activities

Income from the occupiers of the almshouses is included in the period when the rentals fall due.

Investment income

Investment income is accounted for in the period in which the Charity is entitled to receipt.

Interest receivable

Interest is accounted for when received by the Charity.

(c) Expenditure recognition

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT. Certain expenditure is directly attributable to specific activities and has been included in those cost categories.

Support costs comprise costs involved in the core activity of running costs and upkeep of the almshouses.

(d) Tangible fixed assets

Individual fixed assets are capitalised at cost or valuation in respect of donated assets.

The Trustees have not depreciated the Charity's freehold property which comprises almshouses as they are maintained in good repair and the Trustees are of the opinion their current market value is significantly in excess of cost and therefore greater than the net book value. Thus failure to depreciate will not have a material effect on the results for the year. The Trustees consider that they cannot currently justify the expense of a formal valuation at market value of the property.

THE NEWMAN TRUST HOMES
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 5th April 2022

(e) Grants and donations

These are included in the Statement of Financial Activities when they are made.

(f) Investment assets

Investments are included at closing mid-market value at the balance sheet date. Any realised or unrealised gains or losses on investments are recognised in the Statement of Financial Activities.

(g) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. Designated Funds can be used in accordance with the objects of the Charity.

Details of the nature and purpose of each fund is set out in Note 11 to the financial statements.

2	INCOME FROM INVESTMENTS	2022	2021
		£	£
	Fixed interest securities – interest	2,034	839
	Worldwide equities – dividends	23,705	21,569
	Bank deposits – interest	-	15
		<u>25,739</u>	<u>22,423</u>
3	SUPPORT COSTS	£	£
	Insurance	5,804	5,393
	General rates	-	1,027
	Water rates	1,155	1,458
	Light and heat	480	111
	General repairs and external decorating	7,722	1,771
	Cleaning and pest control	1,343	1,051
	Grants paid	4,214	4,803
		<u>20,718</u>	<u>15,614</u>

The individuals who receive the grant payments are carefully selected by Trustees to assist the relief of poverty.

THE NEWMAN TRUST HOMES
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 5th April 2022

4 MANAGEMENT AND ADMINISTRATION	2022	2021
	£	£
Legal fees	7,525	6,977
Accountancy	3,634	3,474
Brokers management fees	9,636	7,926
BCOP management fees	4,333	4,727
Trustees' insurance	549	392
Trustees' meeting expenses	-	-
Bank Charges	-	-
	<u>25,677</u>	<u>23,496</u>

Included in accountancy fees are governance costs relating to the Independent Examination of the accounts of £1,600 (2021:£1,500)

5 STAFF COSTS AND TRUSTEES' REMUNERATION

There were no employees for the year under review
Trustees received no remuneration and no expenses in the year (2021: £nil).

6 TANGIBLE FIXED ASSETS	Freehold Property- Almshouses	Total
	£	£
Cost		
At 5 th April 2021 and 2022	<u>69,621</u>	<u>69,621</u>
Revaluations		
At 6 th April 2021	330,379	-
Revaluation in year	-	330,379
At 5 th April 2022	<u>330,379</u>	<u>330,379</u>
Net Book Values		
At 5 th April 2022	<u>400,000</u>	<u>400,000</u>
At 5 th April 2021	<u>400,000</u>	<u>400,000</u>

During the year the properties were revalued by independent surveyor Cottons Chartered Surveyors.

7 INVESTMENTS

	Quoted Investments	Charities Property Fund	Cash held for reinvestment	Total
	£	£	£	£
Market Value at 6 th April 2021	976,496	46,514	25,757	1,048,767
Additions	45,912	-	2,417	48,329
Disposals	(17,092)	-	-	(17,092)
Net unrealised investment gains	(10,449)	7,502	-	(2,947)
Market Value at 5 th April 2022	<u>994,867</u>	<u>54,016</u>	<u>28,174</u>	<u>1,077,057</u>

THE NEWMAN TRUST HOMES
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 5th April 2022

7 INVESTMENTS (continued)

Investments comprise:-	Cost £	Market Value £
General Reserves Fund		
Charities Property Fund	50,230	54,016
Shares held	673,129	994,867
Cash held for reinvestment	28,174	28,174
	<u>751,533</u>	<u>1,077,057</u>

8 CASH AND BANK BALANCES

	2022 £	2021 £
Lloyds TSB - Current account	8,582	8,582
- High Interest cheque account	14,017	19,407
	<u>22,599</u>	<u>27,990</u>

9 DEBTORS

	2022 £	2021 £
Prepayments and accrued income	1,700	1,541
Other Debtors	15,749	9,580
	<u>17,449</u>	<u>11,121</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other creditors	-	-
Accruals and deferred income	7,415	7,080
	<u>7,415</u>	<u>7,080</u>

THE NEWMAN TRUST HOMES
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 5th April 2022

11 FUNDS

Unrestricted funds

Comprise those funds which the trustees are free to use in accordance with the charitable objects. The charity does not hold any Restricted or Endowment funds.

	Balance 06-Apr- 21	Incoming	Outgoing	Investment Gains and property revaluation	Balance 05-Apr-22
	£	£	£	£	£
Unrestricted Funds:					
General Reserves Fund	1,461,228	47,101	(46,395)	28,186	1,490,120
Designated Funds:					
Extraordinary Repair Fund	4,535	-	-	-	4,535
Cyclical Maintenance Fund	15,035	-	-	-	15,035
Total Funds	1,480,798	47,101	(46,395)	28,186	1,509,690

The Extraordinary Repair Fund has been established to provide for any extraordinary repair, improvement or rebuilding of the almshouses.

The Trustees have established the Cyclical Maintenance Fund for the purpose of providing for ordinary maintenance and repair of the almshouses which recur at infrequent intervals.

12 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

THE NEWMAN TRUST HOMES
SCHEDULES TO THE FINANCIAL STATEMENTS
For the year ended 5th April 2022

SUMMARY OF INVESTMENTS AND INVESTMENT INCOME

Summary	Cost £	Market Value £	Income £
Charties Property fund	50,230	54,016	1,897
Shares held	673,129	994,867	23,842
Cash held by brokers for reinvestment	28,174	28,174	-
	<u>751,533</u>	<u>1,077,057</u>	<u>25,739</u>
Bank and other interest received			-
Total			<u>25,739</u>

THE NEWMAN TRUST HOMES
SCHEDULES TO THE FINANCIAL STATEMENTS
For the year ended 5th April 2022

INVESTMENTS AND INVESTMENT INCOME

Shares held	Cost	Market Value	Income
	£	£	£
37,397.00 Charties Property fund	50,229.79	54,016.23	1,897
	50,229.79	54,016.23	1,897
1,200.00 Ishares II Plc core uk gilts	15,008.99	15,540.00	133
17,500.00 Royal London Assest Management	16,037.00	13,804.00	676
2,500.00 Polar Capital Funds Global Convertible	20,596.00	20,400.00	896
20,000.00 Sequoia Economic Infra Inc FD NPV	18,886.62	20,480.00	1,250
400.00 Lyxor US Tips UCITS ETF	40,971.16	45,338.00	261
760.00 Xtracker ETC physical gold	16,943.74	18,025.30	-
1,700.00 ICG Enterprise Trust	14,951.50	19,618.00	459
1,700.00 NB Private Equity Partners	10,652.40	28,050.00	1,100
7,500.00 Link fund solutions ltd Trojan S inc	18,444.86	24,090.75	47
14,554.00 International Public Partnership	14,310.46	24,945.56	1,086
8,300.00 Warehouse Reit	10,043.00	14,342.40	514
11,271.00 SDCL Energy Efficiency Inc Tst	11,826.49	13,660.45	585
13,500.00 JLEN Enviromental Asset NPV	14,984.33	14,985.00	917
15,128.00 Assura PLC	7,649.64	10,385.37	443
1,333.00 Vistry Group PLC	15,506.07	12,676.83	532
Carried Forward	246,812.41	296,341.66	8,899

THE NEWMAN TRUST HOMES
SCHEDULES TO THE FINANCIAL STATEMENTS
For the year ended 5th April 2022

INVESTMENTS AND INVESTMENT INCOME

Shares held	Cost	Market Value	Income
	£	£	£
Brought forward	246,812.41	296,341.66	8,899
769.00 Compass Group	5,762.28	12,661.59	108
400.00 Cranswick	14,782.04	14,312.00	-
900 Associated British foods	20,577.90	14,787.00	364
3,000.00 Stanard Chartered PLC ord	14,788.28	14,988.00	260
700.00 Prudential Ord	4,850.85	7,934.50	81
3,400.00 Blackrock Throgmorton Trust	6,846.54	25,840.00	357
9,400.00 Montanaro Asset Management UK Income GBP Seed	19,284.10	20,980.00	711
17,000.00 Diverse Income Trust Plc	10,783.39	18,360.00	646
7,000.00 Mercantile Investment Trust	4,289.71	15,400.00	469
2,500.00 BP Ord	12,872.25	9,572.50	398
800.00 Royal Dutch Shell	5,332.88	16,968.00	528
Carried Forward	366,982.63	468,146.05	12,821

THE NEWMAN TRUST HOMES
SCHEDULES TO THE FINANCIAL STATEMENTS
For the year ended 5th April 2022

INVESTMENTS AND INVESTMENT INCOME

Shares held	Cost	Market Value	Income
	£	£	£
Brought forward	366,982.63	468,146.05	12,821
300.00 Rio Tinto	3,693.35	18,360.00	2,078
4,200.00 Smith (DS) Ord GBP 0.10	15,135.34	13,423.20	508
400.00 Johnson Matthey	4,245.00	7,796.00	288
200.00 AstraZenca	16,807.00	20,668.00	420
650.00 Experian Plc	5,989.31	19,220.50	229
3,400.00 Rotork	11,885.46	11,084.00	80
916.00 National Grid Transco ord 0.10	3,810.32	11,092.76	452
5,000.00 Vodafone Group Ord Incl Verizon	7,697.27	6,274.00	380
560.52 Findlay Park Funds PLC Amerivan GBP Hedged	36,965.41	49,819.02	-
4,600.00 JP Morgan Asset Mgmt UK Ltd	14,958.98	20,120.40	348
500.00 Vanguard Fund Plc	18,160.29	32,985.63	360
1,200.00 Montanaro Eur Sml Cos Trust	6,247.50	19,992.00	111
7,698.74 JP Morgan Asset Management	10,132.59	18,985.09	393
25,000.00 Jupiter Unit trust	23,055.42	29,270.00	446
Carried Forward	545,765.87	747,236.65	18,914

THE NEWMAN TRUST HOMES
SCHEDULES TO THE FINANCIAL STATEMENTS
For the year ended 5th April 2022

INVESTMENTS AND INVESTMENT INCOME

Shares held	Cost	Market Value	Income
	£	£	£
Brought forward	545,765.87	747,236.65	18,914
2,816.00 Pacific assets trust	7,125.23	8,997.12	68
15,000.00 Schroder Oriental	19,937.00	40,875.00	1,575
16,200.00 Ninety one fund	20,149.79	17,355.06	44
13,250.00 Templeton Emg Mkts Inv Trust	16,229.32	20,537.50	504
1,100.00 Allianz Technology Trust Plc	8,262.73	30,085.00	-
8,000.00 Fundsmith LLP	12,195.33	44,612.80	77
2,200.00 Polar Capital Funds	7,381.19	15,112.24	188
3,700.00 Scottish Mortgage Inv Trust	17,589.57	38,184.00	129
1,450.00 Guinness Asset management	18,420.66	26,740.18	587
124.00 M&G Securities Charibond Acc	72.02	5,131.06	72
339.46 CCLA Investment management	-	-	178
SOLD M&G Securities Charifund Inc	-	-	215
SOLD M&G PLC	-	-	86
SOLD Unilever	-	-	495
SOLD Glaxosmithkline	-	-	378
SOLD Jackson financial INC	-	-	332
Shares held	673,128.71	994,866.61	23,842
	723,358.50	1,048,882.84	25,739