

Charity No: 504332

THE A B GRACE TRUST  
TRUSTEES' REPORT AND  
STATEMENT OF ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

**THE A B GRACE TRUST**  
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**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**THE A B GRACE TRUST**  
**TRUSTEES' REPORT FOR THE**  
**YEAR ENDED 31 DECEMBER 2020**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

Address of the Charity	31 Yewlands Drive Garstang Preston PR3 1JP
Trustees	Anthony H Blunt FCCA Valerie M Wilson Gordon W Bell
Charity Number	504332
Solicitors	Linder Myers 21-23 Park Street Lytham FY8 5LU
Investment Managers	Investec Wealth & Investment Limited Beech House 61 Napier Street Sheffield S11 8HA
Independent Examiner Accountants	M Muschamp FCA Rushtons Chartered Accountants Shorrock House 1 Faraday Court Fulwood Preston PR2 9NB

**THE A B GRACE TRUST**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity was established by a Trust Deed dated 5 June 1975.

*The Trust is registered with the Charity Commission for England and Wales, Registered Number 504332.*

**Appointment of trustees**

The current Trustees are Anthony Harry Blunt, Valerie Margaret Wilson and Gordon Walker Bell. The Trustees have the power to appoint new Trustees as required.

**OBJECTIVES AND ACTIVITIES**

The main settlement assets are held under trusts included in Mrs A B Grace's Will dated 13 July 1979, the Special Will Trusts have been formally registered and have been engrafted onto the trusts of the original 1975 deed.

In accordance with the Will of Mrs A B Grace the income from the Charity is applied for charitable purposes, specifically for charities named in the Will. The Charity cannot donate to any other causes.

**PUBLIC BENEFIT DELIVERY**

The Charity allocates distributions in accordance with the Will of Mrs A B Grace. As all the beneficiaries are registered charities, the Trustees are satisfied that the trust is operated for the benefit of the public.

**ACHIEVEMENTS AND PERFORMANCE**

**Restricted Income Fund**

The balance of income on hand at 1 January 2020 was £24,012 of which £24,000 was distributed in amounts of £2,400 to each beneficiary. The covid pandemic resulted in a significant reduction in income resulting in only one income distribution during the year.

**FINANCIAL REVIEW**

**Financial position – Restricted Income Fund**

The net income after administration expenses amounted to £37,040 (2019: £45,554). Charitable distributions totalling £24,000 (2019: £44,000) were made during the year resulting in net incoming resources of £13,028 (2019: net incoming resources £1,554). At 31 December 2020 the balance of income on hand was £37,040.

**Reserves Policy**

The Trustees aim to maintain the reserves of the Trust so as to ensure that income available to meet future distributions is maintained.

TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020

**Investments**

The Trustees have the power contained in the Trustees Act 2000. The Trustees have appointed Investec Wealth & Investment Limited to give investment advice on an ongoing basis. Quoted investments have been revalued at 31 December 2020 in accordance with the Investec Wealth and Investment Limited valuation.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

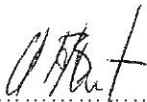
The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom) Generally Accepted Accounting Practice).

The law applicable to charities in England & 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 at 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 Statement of Recommended Practice; Make judgements and estimates that are reasonable and prudent; State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 enable them to ensure that the financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (as amended for accounting periods commencing from 1 January 2016), and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities.

This report was approved by the Trustees of the charity on ~~24th February 2021~~ and signed on its behalf.



.....  
A H Blunt FCCA



.....  
V M Wilson



.....  
G W Bell

THE A B GRACE TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2020

I report on the accounts of the charity for the period ended 31 December 2020 which are set out on pages that follow.

**Respective responsibilities of the trustees and the independent examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to examine the accounts under section 145 of the 2011 Act; follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the general directions given by the Charity Commission. An independent examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In the course of my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that, in any material respect, the requirements: to keep accounting records in accordance with section 130 of the 2011 Act; and to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met, or
- 2) which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



.....  
**M Muschamp FCA**  
**Rushtons**  
**Chartered Accountants**  
**Shorrock House**  
**1 Faraday Court**  
**Fulwood**  
**PRESTON**  
**PR2 9NB**

Date: ..... 25/2/21 .....

THE A B GRACE TRUST


STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Restricted Income Fund £	Permanent Endowment Fund £	2020 Total £	2019 Total £
<b>Incoming Resources</b>					
Investment income	2	38,867	-	38,867	47,247
Bank interest (gross)		21	-	21	107
Profit/(Loss) on sale or revaluation of investments	5	-	(40,261)	(40,261)	111,813
<b>Total Incoming Resources</b>		<u>38,888</u>	<u>(40,261)</u>	<u>(1,373)</u>	<u>159,167</u>
<b>Charitable expenditure</b>					
Management and administration	4	1,860	12,195	14,055	14,511
Charitable distributions	3	24,000	-	24,000	44,000
<b>Total Resources Expended</b>		<u>25,860</u>	<u>12,195</u>	<u>38,055</u>	<u>58,511</u>
<b>Net Incoming/(Outgoing) Resources</b>		13,028	(52,456)	(39,428)	100,656
<b>Fund balances brought forward</b>		<u>24,012</u>	<u>1,242,405</u>	<u>1,266,417</u>	<u>1,165,761</u>
<b>Fund balances carried forward</b>		<u>37,040</u>	<u>1,189,949</u>	<u>1,226,989</u>	<u>1,266,417</u>

THE A B GRACE TRUST  
BALANCE SHEET  
AS AT 31 DECEMBER 2020

	Note	Restricted Income Fund £	Permanent Endowment Fund £	2020 Total £	2019 Total £
<b>Fixed assets</b>					
Investments at Market Value	5	-	1,163,317	1,163,317	1,197,400
<b>Current assets</b>					
Investec Dealing Account		6,845	27,112	33,957	51,131
Cash at Bank		30,755	-	30,755	18,343
<b>Debtors</b>	6	1,300	-	1,300	1,823
		38,900	27,112	66,012	71,297
<b>Creditors</b>					
Rushtons		(1,860)	(480)	(2,340)	(2,280)
<b>Net current assets</b>		37,040	26,632	63,672	69,017
<b>Net assets</b>		37,040	1,189,949	1,226,989	1,266,417
<b>Funds</b>		37,040	1,189,949	1,226,989	1,266,417

The financial statements were approved by the Trustees on *23rd February* 2021

  
.....  
A H Blunt

  
.....  
V M Wilson

  
.....  
G W Bell

**A B GRACE TRUST**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1 ACCOUNTING POLICIES**

**Basis of accounting**

The accounts have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS102) 'Accounting and Reporting by Charities: preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

**Investment Income**

Dividends and interest are included in the accounts on the accruals basis.

Bank interest is included in the accounts when it is received.

**Expenditure**

Expenditure is accounted for on an accruals basis.

**Trustees' Expenses**

The Trustees received no remuneration or expenses.

**Quoted Investments**

Quoted Investments have been valued at mid-market value in accordance with the Investec valuation at the balance sheet date. Any unrealised gains or losses on revaluation are shown in the Statement of Financial Activities.

**THE A B GRACE TRUST**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	£	£
<b>2 INVESTMENT INCOME</b>		
Fixed Interest Stocks	1,749	2,541
Indexed Linked Stocks	931	909
Ordinary Shares	20,151	25,791
Unit Trusts	16,036	18,006
	<hr/>	<hr/>
	38,867	47,247
	<hr/>	<hr/>
<b>3 DISTRIBUTIONS</b>		
St. Mary's & St. Michael's Church, Bonds	2,400	4,400
St Helen's Church, Churchtown	2,400	4,400
United Reformed Church, Garstang	2,400	4,400
Guide Dogs for the Blind	2,400	4,400
RSPCA	2,400	4,400
St Peter's Church, Scorton	2,400	4,400
RNLI	2,400	4,400
RSPB	2,400	4,400
Christ Church, Over Wyresdale	2,400	4,400
Leonard Cheshire Disability	2,400	4,400
	<hr/>	<hr/>
	24,000	44,000
	<hr/>	<hr/>
<b>4 MANAGEMENT AND ADMINISTRATION EXPENSES</b>		
<b>Income Fund Expenses:</b>		
Rushtons – Accountancy & Taxation Charges & Independent Examination Fee	1,860	1,800
	<hr/>	<hr/>
<b>Capital Fund Expenses:</b>		
Rushtons	1,200	480
Investec Wealth & Investment Management Charge	10,995	11,631
Linder Myers – Legal Charges	-	600
	<hr/>	<hr/>
	12,195	12,711
	<hr/>	<hr/>
<b>TOTAL EXPENDITURE</b>	14,055	14,511
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THE A B GRACE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

5. INVESTMENTS AND INCOME

	At 1 January 2020			Additions			Disposals		At 31 December 2020			
	No of Shares/ Units	Cost	Market Value	No Of Shares/ Units	Cost	No of Shares/ Units	Proceeds	Net Gain/ (Loss) on Revaluation	No of Shares/ Units	Cost	Market Value	Dividend Interest/ PID's
		£	£		£		£	£		£	£	£
<b>Fixed interest Stocks</b>												
Barclays Bank 6.3% FTSE income Autocall 2026	-	-	-	17,800	17,662	-	-	13	17,800	17,662	17,675	561
HSBC Bank 5.8% FTSE Income Autocall 2025	15,200	14,876	16,020	-	-	-	-	(805)	15,200	14,876	15,215	882
Treasury 4.75% Gilt Stock 2020	35,000	35,603	35,035	-	-	35,000	35,000	(35)	-	-	-	306
		<u>50,479</u>	<u>51,055</u>		<u>17,662</u>		<u>35,000</u>	<u>(827)</u>		<u>32,538</u>	<u>32,890</u>	<u>1,749</u>
<b>Index Linked Stocks</b>												
National Grid 1.25% Index Linked Stock 2022	25,000	25,792	31,700	-	-	-	-	(50)	25,000	25,792	31,650	395
Treasury 1.875% Index Linked Stock 2022	20,000	29,490	31,700	-	-	-	-	(340)	20,000	29,490	31,360	536
		<u>55,282</u>	<u>63,400</u>		<u>-</u>		<u>-</u>	<u>(390)</u>		<u>55,282</u>	<u>63,010</u>	<u>931</u>

THE A B GRACE TRUST  
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

5. INVESTMENTS AND INCOME (continued)

	At 1 January 2019			Additions			Disposals			At 31 December 2019		
	No of Shares/ Units	Cost £	Market Value £	No of Shares/ Units	Cost £	No of Shares/ Units	Proceeds £	Profit/ (Loss) on Disposal £	No of Shares/ Units	Cost £	Market Value £	Income £
<b>Ordinary Shares</b>												
Aberforth Smaller Companies	1,770	19,046	27,240	-	-	-	-	(5,222)	1,770	19,046	22,018	644
Barclays Bank	5,100	10,964	9,164	-	-	5,100	5,212	(3,952)	-	-	-	-
BB Healthcare Trust	-	-	-	9,475	13,111	-	-	3,726	9,475	13,111	16,837	237
British American Tobacco	225	11,274	7,385	-	-	-	-	(1,172)	225	11,274	6,213	469
BHP Billiton	755	14,006	13,427	-	-	-	-	1,117	755	14,006	14,544	693
BlackRock American BP	30,800	34,609	59,444	-	-	-	-	(7,793)	30,800	34,609	51,651	2,464
BurBerry Group	3,785	17,024	17,853	-	-	3,785	11,263	(6,590)	-	-	-	624
Civitas Social Housing	-	-	-	500	6,777	-	-	2,192	500	6,777	8,969	-
Compass Group	19,090	19,125	17,486	-	-	-	-	2,539	19,090	19,125	20,025	1,021
Diageo	-	-	-	675	9,119	-	-	98	675	9,119	9,217	-
Experian Group	-	-	-	415	11,475	-	-	494	415	11,475	11,969	176
GlaxoSmithKilne	890	8,519	22,726	-	-	-	-	2,016	890	8,519	24,742	331
Hipgnosis Songs Fund	870	14,657	15,640	-	-	-	-	(3,798)	870	14,657	11,842	696
HSBC Holdings	-	-	-	20,000	23,506	-	-	1,254	20,000	23,506	24,760	-
International Public Partnership	2,470	17,555	14,619	-	-	-	-	(5,278)	2,470	17,555	9,341	-
Imperial Brands	37,125	47,962	61,998	-	-	-	-	1,151	37,125	47,962	63,149	2,699
Land Securities Group	270	10,007	5,046	-	-	-	-	(899)	270	10,007	4,147	437
M&G Group	1,133	6,784	11,347	-	-	1,133	6,211	(5,136)	-	-	-	131
Polar Capital Global Financials	1,135	2,083	2,691	-	-	1,135	1,464	(1,227)	-	-	-	179
Prudential	13,200	13,565	19,404	-	-	-	-	(792)	13,200	13,565	18,612	581
Relx	1,135	13,053	16,429	-	-	-	-	(1,121)	1,135	13,053	15,308	284
Rio Tinto	535	10,089	10,192	-	-	-	-	(601)	535	10,089	9,591	244
Royal Dutch Shell 'B'	460	13,918	20,712	-	-	-	-	4,468	460	13,918	25,180	1,367
Schroders Voting Ordinary shares	1,536	33,396	34,401	-	-	1,536	14,725	(19,676)	-	-	-	940
SDCL Energy efficiency	-	-	-	375	9,601	-	-	2,939	375	9,601	12,540	131
Smith & Nephew	23,700	23,735	25,477	-	-	-	-	(190)	23,700	23,735	25,287	1,244
Standard Life Aberdeen	-	-	-	425	7,043	-	-	(625)	425	7,043	6,418	47
Standard Chartered	1,407	7,091	4,620	-	-	1,407	3,000	(1,620)	-	-	-	201
Standard Chartered	1,427	18,554	10,167	-	-	1,427	6,068	(4,099)	-	-	-	-
Target Healthcare REIT	34,950	35,335	40,437	-	-	-	-	(664)	34,950	35,335	39,773	2,338
Urban & Civic	4,359	9,843	15,103	-	-	-	-	(95)	4,359	9,843	15,008	109
UK Commercial Property Trust	32,689	24,062	28,995	-	-	-	-	(6,407)	32,689	24,062	22,588	752
Unilever	430	12,000	18,708	-	-	-	-	205	430	12,000	18,913	625
Vodafone Group	6,185	12,511	9,345	-	-	-	-	(1,622)	6,185	12,511	7,723	487
		<u>460,767</u>	<u>540,056</u>		<u>80,632</u>		<u>47,943</u>	<u>(56,380)</u>		<u>445,503</u>	<u>516,365</u>	<u>20,151</u>

THE A B GRACE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

5. INVESTMENTS AND INCOME (continued)

	No of Shares/ Units	At 1 January 2019		Additions		No of Shares/ Units	Proceeds £	Disposals Profit/ (Loss) on Disposal £	No of Shares/ Units	At 31 December 2019		
		Cost £	Market Value £	No of Shares/ Units	Cost £					Cost £	Market Value £	Income £
<b>Unit Trusts</b>												
Aberdeen Standard ASI European Equity Fund	34,450	28,379	32,934	-	-	-	-	1,681	34,450	28,379	34,615	1,069
Aberdeen Standard ASI Global Index Linked Bond Fund	53,595	30,110	31,031	-	-	-	-	2,358	53,595	30,110	33,389	382
Axa Framlington UK Mid Cap Fund	23,700	25,096	42,399	-	-	-	-	(1,090)	23,700	25,096	41,309	363
Axa US Short Duration High Yield Bond Fund	17,080	17,427	15,986	-	-	-	-	(256)	17,080	17,427	15,730	688
BlackRock Continental European Fund	17,830	22,624	28,724	-	-	-	-	2,817	17,830	22,624	31,541	789
Fidelity Strategic Bond Fund W	12,115	15,219	15,434	-	-	12,115	15,945	511	-	-	-	324
Franklin Templeton UK Mid Cap	-	-	-	13,225	11,395	-	-	2,874	13,225	11,395	14,269	-
Invesco Perpetual European Equity Fund	5,995	23,393	20,964	-	-	-	-	36	5,995	23,393	21,000	597
Jupiter Japan Income Fund	15,820	10,515	16,421	-	-	15,820	16,283	(138)	-	-	-	172
JP Morgan Emerging Markets Income Fund	44,555	25,406	28,737	-	-	-	-	2,593	44,555	25,406	31,330	855
JP Morgan US Equity Income Fund	10,630	24,928	37,853	-	-	10,630	24,928	(12,925)	-	-	-	437
JP Morgan US Equity Income Fund K Shares	-	-	-	30,672	24,928	-	-	11,798	30,672	24,928	36,726	429
Jupiter Strategic Bond Fund	46,792	30,932	30,789	-	-	-	-	889	46,792	30,932	31,678	993
Link Morant Wright Fuji Yield Fund	1,720	18,365	18,256	680	6,468	-	-	(1,627)	2,400	24,833	23,097	583
M & G Corporate Bond Fund	80,141	22,978	33,980	-	-	-	-	881	80,141	22,978	34,861	1,041
Oaktree Global High Yield Bond Fund	300	30,008	28,989	-	-	-	-	(615)	300	30,008	28,374	1,272
Royal London Sterling Credit Fund	28,536	36,839	40,635	-	-	-	-	1,570	28,536	36,839	42,205	1,458
Schroder Asian Income Fund	59,422	28,405	41,476	-	-	-	-	3,863	59,422	28,405	45,339	1,590
Sequoia Economic Infrastructure Fund	34,773	34,226	40,510	4,636	5,192	-	-	(2,353)	39,409	39,418	43,349	2,391
Vanguard S&P 500 Fund	815	20,818	37,771	-	-	-	-	4,469	815	20,818	42,240	603
		<u>445,668</u>	<u>542,889</u>		<u>47,983</u>		<u>57,156</u>	<u>17,336</u>		<u>442,989</u>	<u>551,052</u>	<u>16,036</u>
		<u>1,012,196</u>	<u>1,197,400</u>		<u>146,277</u>		<u>140,099</u>	<u>(40,261)</u>		<u>976,312</u>	<u>1,163,317</u>	<u>38,867</u>