

Charity No: 504332

**THE A B GRACE TRUST
TRUSTEES' REPORT AND
STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

THE A B GRACE TRUST
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Page
Trustees' Report	1
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7

THE A B GRACE TRUST
TRUSTEES' REPORT FOR THE
YEAR ENDED 31 DECEMBER 2021
LEGAL AND ADMINISTRATIVE INFORMATION

Address of
the Charity

31 Yewlands Drive
Garstang
Preston
PR3 1JP

Trustees

Anthony H Blunt FCCA (Retired 18 March 2022)
Valerie M Wilson
Gordon W Bell
James I Dickinson (Appointed 25 April 2022)

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

C N Calvert 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 2021

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 Valerie Margaret Wilson, Gordon Walker Bell and James Ian Dickinson. 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 2021 was £37,040 of which £37,000 was distributed in amounts of £3,700 to each beneficiary.

FINANCIAL REVIEW

Financial position – Restricted Income Fund

The net income after administration expenses amounted to £41,226 (2020: £37,040). Charitable distributions totalling £37,000 (2020: £24,000) were made during the year resulting in net incoming resources of £4,186 (2020: net incoming resources £13,028). At 31 December 2021 the balance of income on hand was £41,226.

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.

THE A B GRACE TRUST
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021 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 *19 May 2022* and signed on its behalf.


.....
V M Wilson


.....
G W Bell


.....
J I Dickinson

THE A B GRACE TRUST

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

I report on the accounts of the charity for the period ended 31 December 2021 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.



.....
**C N Calvert FCA
Rushtons
Chartered Accountants
Shorrock House
1 Faraday Court
Fulwood
PRESTON
PR2 9NB**

Date: 8/1/22.....

THE A B GRACE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Restricted Income Fund £	Permanent Endowment Fund £	2021 Total £	2020 Total £
Incoming Resources					
Investment income	2	43,166	-	43,166	38,867
Bank interest (gross)		-	-	-	21
Profit/(Loss) on sale or revaluation of investments	5	-	90,022	90,022	(40,261)
Total Incoming Resources		<u>43,166</u>	<u>90,022</u>	<u>133,188</u>	<u>(1,373)</u>
Charitable expenditure					
Management and administration	4	1,980	12,466	14,446	14,055
Charitable distributions	3	37,000	-	37,000	24,000
Total Resources Expended		<u>38,980</u>	<u>12,466</u>	<u>51,446</u>	<u>38,055</u>
Net Incoming/(Outgoing) Resources		4,186	77,556	81,742	(39,428)
Fund balances brought forward		<u>37,040</u>	<u>1,189,949</u>	<u>1,226,989</u>	<u>1,266,417</u>
Fund balances carried forward		<u>41,226</u>	<u>1,267,505</u>	<u>1,308,731</u>	<u>1,226,989</u>

THE A B GRACE TRUST
BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	Restricted Income Fund £	Permanent Endowment Fund £	2021 Total £	2020 Total £
Fixed assets					
Investments at Market Value	5	-	1,252,337	1,252,337	1,163,317
Current assets					
Investec Dealing Account		7,424	11,248	18,672	33,957
Cash at Bank		45,253	4,520	49,773	30,755
Debtors		1,229	-	1,229	1,300
		53,906	15,768	69,674	66,012
Creditors					
Rushtons		(1,980)	(600)	(2,580)	(2,340)
St Peter's Parish Church		(8,300)	-	(8,300)	
RSPB		(2,400)		(2,400)	
Net current assets		41,226	15,168	56,394	63,672
Net assets		41,226	1,267,505	1,308,731	1,226,989
Funds		41,226	1,267,505	1,308,731	1,226,989

The financial statements were approved by the Trustees on *19 May* 2022

Valerie M. Wilson

 V M Wilson

Gordon W Bell

 G W Bell

J I Dickinson

 J I Dickinson

A B GRACE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021

	2021	2020
	£	£
2 INVESTMENT INCOME		
Fixed Interest Stocks	2,003	1,749
Indexed Linked Stocks	878	931
Ordinary Shares	21,961	20,151
Unit Trusts	18,324	16,036
	<hr/>	<hr/>
	43,166	38,867
	<hr/>	<hr/>
3 DISTRIBUTIONS		
St. Mary's & St. Michael's Church, Bonds	3,700	2,400
St Helen's Church, Churchtown	3,700	2,400
United Reformed Church, Garstang	3,700	2,400
Guide Dogs for the Blind	3,700	2,400
RSPCA	3,700	2,400
St Peter's Church, Scorton	3,700	2,400
RNLI	3,700	2,400
RSPB	3,700	2,400
Christ Church, Over Wyresdale	3,700	2,400
Leonard Cheshire Disability	3,700	2,400
	<hr/>	<hr/>
	37,000	24,000
	<hr/>	<hr/>
4 MANAGEMENT AND ADMINISTRATION EXPENSES		
Income Fund Expenses:		
Rushtons – Accountancy & Taxation Charges & Independent Examination Fee	1,980	1,860
	<hr/>	<hr/>
Capital Fund Expenses:		
Rushtons	600	1,200
Investec Wealth & Investment Management Charge	11,866	10,995
Linder Myers – Legal Charges	-	-
	<hr/>	<hr/>
	12,466	12,195
	<hr/>	<hr/>
TOTAL EXPENDITURE	14,446	14,055
	<hr/>	<hr/>

THE A B GRACE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

5. INVESTMENTS AND INCOME

	At 1 January 2021			Additions		Disposals		At 31 December 2021				
	No of Shares/ Units	Cost	Market Value	No Of Shares/ Units	Cost	No of Shares/ Units	Proceeds	Profit/(Loss) On Sale Or Revaluation	No of Shares/ Units	Cost	Market Value	Dividend Interest/ PID's
		£	£		£		£	£		£	£	£
Fixed interest Stocks												
Barclays Bank 6.3% FTSE income Autocall 2026	17,800	17,662	17,675	-	-	-	-	287	17,800	17,662	17,962	1,121
HSBC Bank 5.8% FTSE Income Autocall 2025	15,200	14,876	15,215	-	-	-	-	538	15,200	14,876	15,753	882
		<u>32,538</u>	<u>32,890</u>		<u>-</u>		<u>-</u>	<u>825</u>		<u>32,538</u>	<u>33,715</u>	<u>2,003</u>
Index Linked Stocks												
National Grid 1.25% Index Linked Stock 2022	25,000	25,792	31,650	-	-	25,000	31,992	342	-	-	-	324
Treasury 1.875% Index Linked Stock 2022	20,000	29,490	31,360	-	-	-	-	993	20,000	29,490	32,353	554
		<u>55,282</u>	<u>63,010</u>		<u>-</u>		<u>31,992</u>	<u>1,335</u>		<u>29,490</u>	<u>32,353</u>	<u>878</u>

THE A B GRACE TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

5. INVESTMENTS AND INCOME (continued)

	No of Shares/ Units	At 1 January 2021		Additions		Disposals		Profit/(Loss) On Sale Or Revaluation		At 31 December 2021		Dividend Interest /PID's £
		Cost £	Market Value £	No of Shares/ Units	Cost £	No of Shares/ Units	Proceeds £	£	£	No of Shares/ Units	Cost £	
Ordinary Shares												
Aberforth Smaller Companies	1,770	19,046	22,018	-	-	-	-	3,859	1,770	19,046	25,877	599
BB Healthcare Trust	9,475	13,111	16,837	-	-	-	-	2,160	9,475	13,111	18,997	523
British American Tobacco	225	11,274	6,213	-	-	-	-	56	225	11,274	6,269	482
BHP Billiton	755	14,006	14,544	-	-	-	-	2,060	755	14,006	16,604	1,641
BlackRock American	30,800	34,609	51,651	-	-	30,800	57,868	6,217	-	-	-	1,848
BurBerry Group	500	6,777	8,969	-	-	500	9,511	542	-	-	-	213
Civitas Social Housing	19,090	19,125	20,025	-	-	19,090	19,436	(589)	-	-	-	780
Compass Group	675	9,119	9,217	-	-	-	-	1,926	675	9,119	11,143	-
Diageo	415	11,475	11,969	-	-	-	-	4,781	415	11,475	16,750	301
Experian Group	890	8,519	24,742	-	-	-	-	7,587	890	8,519	32,329	305
GlaxoSmithKilne	870	14,657	11,842	-	-	-	-	2,302	870	14,657	14,144	696
Hipgnosis Songs Fund	20,000	23,506	24,760	-	-	-	-	300	20,000	23,506	25,060	1,050
HSBC Holdings	2,470	17,555	9,341	-	-	-	-	1,740	2,470	17,555	11,081	393
International Public Partnership	37,125	47,962	63,149	-	-	-	-	(111)	37,125	47,962	63,038	2,770
Imperial Brands	270	10,007	4,147	-	-	-	-	220	270	10,007	4,367	374
Jackson Financial	-	-	-	28	554	28	522	(32)	-	-	-	-
JPMorgan Global Emerging Markets Income Trust	-	-	-	7,200	11,259	-	-	(729)	7,200	11,259	10,530	295
Polar Capital Global Financials	13,200	13,565	18,612	-	-	-	-	4,224	13,200	13,565	22,836	581
Prudential	1,135	13,053	15,308	-	-	-	-	(840)	1,135	13,053	14,468	686
Relx	535	10,089	9,591	-	-	-	-	3,249	535	10,089	12,840	255
Rio Tinto	460	13,918	25,180	-	-	-	-	(2,676)	460	13,918	22,504	3,187
Schroders Voting Ordinary shares	375	9,601	12,540	-	-	-	-	808	375	9,601	13,348	435
SDCL Energy efficiency	23,700	23,735	25,287	-	-	-	-	2,442	23,700	23,735	27,729	1,318
Smith & Nephew	425	7,043	6,418	-	-	-	-	(927)	425	7,043	5,491	115
Target Healthcare REIT	34,950	35,335	39,773	-	-	19,500	22,555	1,013	15,450	15,621	18,231	1,040
Twenty-Four Income Fund	-	-	-	22,885	25,393	-	-	868	22,885	25,393	26,261	-
Urban & Civic	4,359	9,843	15,008	-	-	4,359	15,039	31	-	-	-	-
UK Commercial Property Trust	32,689	24,062	22,588	-	-	-	-	1,880	32,689	24,062	24,468	956
Unilever	430	12,000	18,913	-	-	-	-	(1,948)	430	12,000	16,965	635
Vodafone Group	6,185	12,511	7,723	-	-	-	-	(550)	6,185	12,511	7,173	483
		<u>445,503</u>	<u>516,365</u>		<u>37,206</u>		<u>124,931</u>	<u>39,863</u>		<u>392,087</u>	<u>468,503</u>	<u>21,961</u>

THE A B GRACE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

5. INVESTMENTS AND INCOME (continued)

	No of Shares/ Units	At 1 January 2021		Additions		Disposals		Profit/(Loss) On Sale or Revaluation		At 31 December 2021		Dividends/ Interest P.I.D's £
		Cost £	Market Value £	No of Shares/ Units	Cost £	No of Shares/ Units	Proceeds £	£	£	No of Shares/ Units	Cost £	
Unit Trusts												
Aberdeen Standard ASI European Equity Fund	34,450	28,379	34,615	-	-	-	-	4,486	34,450	28,379	39,101	1,054
Aberdeen Standard ASI Global Index Linked Bond Fund	53,595	30,110	33,389	-	-	-	-	1,067	53,595	30,110	34,456	402
Aviva US Equity Income Fund	-	-	-	32,575	58,019	-	-	7,113	32,575	58,019	65,132	700
Axa Framlington UK Mid Cap Fund	23,700	25,096	41,309	-	-	-	-	6,281	23,700	25,096	47,590	630
Axa US Short Duration High Yield Bond Fund	17,080	17,427	15,730	-	-	17,080	15,412	(318)	-	-	-	313
BlackRock Continental European Fund	17,830	22,624	31,541	-	-	-	-	2,908	17,830	22,624	34,449	1,009
Eden Vance Emerging Markets Debt Opportunities Shares	-	-	-	1,725	17,837	-	-	(1,077)	1,725	17,837	16,760	956
Franklin Templeton UK Mid Cap	13,225	11,395	14,269	-	-	-	-	2,461	13,225	11,395	16,730	288
Gemcap Atlantic House Defined Returns Fund	-	-	-	13,650	15,169	-	-	258	13,650	15,169	15,427	155
Invesco Perpetual European Equity Fund	5,995	23,393	21,000	-	-	-	-	2,122	5,995	23,393	23,122	755
JP Morgan Emerging Markets Income Fund	44,555	25,406	31,330	-	-	-	-	1,726	44,555	25,406	33,056	945
JP Morgan US Equity Income Fund K Shares	30,672	24,928	36,726	-	-	-	-	9,205	30,672	24,928	45,931	807
Jupiter Strategic Bond Fund	46,792	30,932	31,678	-	-	-	-	(757)	46,792	30,932	30,921	1,204
Link Morant Wright Fuji Yield Fund	2,400	24,833	23,097	-	-	-	-	1,594	2,400	24,833	24,691	736
M & G Corporate Bond Fund	80,141	22,978	34,861	-	-	-	-	(1,426)	80,141	22,978	33,435	858
Oaktree Global High Yield Bond Fund	300	30,008	28,374	-	-	-	-	(15)	300	30,008	28,359	1,280
Premier UK Multi-Cap Fund	-	-	-	5,375	12,368	-	-	(296)	5,375	12,368	12,072	204
Royal London Sterling Credit Fund	28,536	36,839	42,205	-	-	-	-	(1,170)	28,536	36,839	41,035	1,410
Schroder Asian Income Fund	59,422	28,405	45,339	-	-	-	-	1,414	59,422	28,405	46,753	1,512
Schroders Global Cities Real Estate Income Fund	-	-	-	13,425	13,378	-	-	624	13,425	13,378	14,002	46
Sequoia Economic Infrastructure Fund	39,409	39,418	43,349	-	-	-	-	(827)	39,409	39,418	42,522	2,463
Valu-Trac Protean Capital Elder	-	-	-	17,775	17,333	-	-	227	17,775	17,333	17,560	-
Vanguard S&P 500 Fund	815	20,824	42,240	-	23	-	-	12,399	815	20,847	54,662	597
		442,995	551,052		134,127		15,412	47,999		559,695	717,766	18,324
		976,318	1,163,317		171,333		172,335	90,022		1,013,810	1,252,337	43,166