

# **RETAIL TRUST**

(A company limited by guarantee)

## **TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2022**

**Company Number: 04254201**  
**Charity Number No. (England and Wales): 1090136**  
**Registered Charity No. (Scotland): SC039684**  
**Registered Social Landlord No. L4362**

# Retail Trust

## TRUSTEE REPORT AND FINANCIAL STATEMENTS

For the year ended 30 April 2022

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# Retail Trust

## TRUSTEES' REPORT

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### LEGAL AND ADMINISTRATIVE DETAILS

For the year ended 30 April 2022

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#### INCORPORATED AND REGULATORY BODIES

Company limited by guarantee No. 4254201  
Registered Charity in England and Wales No. 1090136  
Registered Charity in Scotland No. SC039684  
RSL No. L4362

**COMPANY SECRETARY:** David Kaye

**TELEPHONE NUMBER:** 020 8201 0110

**CONFIDENTIAL HELPLINE:** 0808 801 0808

**WEBSITE:** [www.retailtrust.org.uk](http://www.retailtrust.org.uk)

#### BOARD OF TRUSTEES:

Paul Armstrong (Appointed 08/12/2021)  
Erin Brookes  
Philip Bell-Brown  
Amanda Cox (Resigned 22/06/2022)  
Lesley Exley  
Helena Feltham (Resigned 08/12/2021)  
Simon Ledsham (Resigned 08/12/2021)  
Michael Logue  
Karen McCormick (Resigned 22/03/2022)  
David McCorquodale  
Alistair McGeorge - Chairman  
Gita North  
Christopher Powell  
Timothy Seal (Resigned 22/06/2022)  
Brian Small – Honorary Treasurer

#### ACTUARY

Barnett Waddingham LLP  
Decimal Place  
Chiltern Avenue  
Amersham  
HP6 5FG

#### BANKERS

National Westminster Bank Plc  
317 Hale Lane  
Edgware  
Middlesex  
HA8 7AX

#### INSURANCE BROKER

Griffiths & Armour  
Drury House  
19 Water Street  
Liverpool  
L2 0RL

#### REGISTERED OFFICE

2<sup>nd</sup> Floor  
The Form Rooms  
22 Tower Street  
London  
WC2H 9NS

#### EXECUTIVE TEAM

Christopher Brook-Carter	Chief Executive Officer
Neil Duffy	Commercial Services Director
Poppie Foakes	Director of Wellbeing Innovation
Peter Foster	Chief Finance Officer
Kathy Macintyre	Director of Supported Living Services
Jamie Malcolm	Managing Director
Amy Prendergast	Transformation and Operations Director

#### AUDITOR - External

Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

#### AUDITOR - Internal

Mazars LLP  
Tower Bridge House  
St Katherine's Way  
London  
E1W 1DD

#### INVESTMENT MANAGER

Evelyn Partners  
25 Moorgate  
London  
EC2R 6AY

#### SOLICITOR

Harper Macleod LLP  
The Ca'd'oro  
45 Gordan Street  
Glasgow  
G1 3PE

### WHY WE'RE HERE

"To promote the happiness and interests of those engaged in the trade."

### OUR CAUSE

Creating hope, health and happiness for everyone in retail.

### OUR BELIEFS

Our beliefs reflect those of the original founders in 1832 and are as relevant now as they were back then. They guide the way we behave with one another, our partners and colleagues in retail.

- **Championing health in retail**  
Since 1832 we have been championing health in retail. We are always looking for new opportunities to help and provide hope to our people.
- **All in**  
One Trust. We are at our best when we are collaborating seamlessly together with our partners and customers to look after the health of our people.
- **Transforming lives for good**  
We make a difference by empowering people to lead happier lives. And we follow through on our word, always.

### OUR STRATEGIC FOCUS 2021/22 AND BEYOND

#### Fundraising

Cause-led partnership model in fundraising to create sustainable, repeatable long-term engagement.

#### Property

Investment in estates and offices to be proud of that reflect the pioneering spirit of the Trust and fuel its ongoing purpose.

#### Wellbeing

Turbo charge the growth in wellbeing products and services, driving up the value to both colleague and client through utilisation and market share.

#### HOW

By focussing on four key elements...

#### Wellbeing Focus

Transform wellness service into the clear market leader in retail, building engagement at all levels of retail organisations through delivery of tailored content for colleague needs.

#### Organisation and Culture

As we focus on a common cause, we will build a more collaborative and collegiate culture with clear values that will positively impact organisational structure and working environments to provide the stimulus for creativity, innovation and support and career paths.

#### Skills & Capability

Experts in the critical disciplines that underpin our strategy with access to the tools, resources and training employees need in order to thrive.

#### Property Focus

# Retail Trust

## TRUSTEES' REPORT

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Build more agile approach to explore other property investments and choices, continuing to invest in our property portfolio and make it a beacon for supported living.

# Retail Trust

## TRUSTEES' REPORT (continued)

### **CHAIRMAN'S MESSAGE**

Dear Supporters, Sponsors, Patrons, Volunteers and Colleagues

In a 12-month period characterised by post-pandemic uncertainty, global unrest, and a cost-of-living crisis that has seen prices soar for everything from food to energy and left many struggling, I am confident when I say that the Retail Trust has never been more relevant in its 190 years to the ongoing health of the UK retail industry and its people.

Our data tells a challenging story for the sector, with a majority of retail workers experiencing a deterioration in their mental health, and many considering leaving the industry altogether. Moreover, there has been a sharp increase in the number who worry about money every day.

Against this turbulent backdrop it is heartening to see how far the industry has come and how committed it remains to improving workplace wellbeing with a significant increase in the number of organisations and people turning to us for help.

In the inaugural meeting of the Trust in January 1832, the vision of our founder Thomas Helps was to create an organisation that championed the role the sector's leaders must play in creating health and happiness for those working in the trade; to build a far-reaching coalition of businesses to maximise the impact of that vision and to empower individuals to make change for themselves and their people.

Across the year, we have continued to work hard to bring Helps' vision to life.

We believe that for industry and society to flourish, business must play a pivotal role in solving the challenges of health inequality, and alongside our partners, we are setting standards and building the tools and expertise that ensure health and happiness at work are the domain of the many not the few.

This focus has led to the introduction of new services to better meet the needs of struggling colleagues such as counselling for children and young people and our provision of mental health and wellbeing training services for 3,870 managers and retail staff.

Some 263,768 people accessed our helpline and digital self-help support, we provided 7,460 telephone counselling calls for in-the-moment support and in total delivered 10,316 counselling sessions to colleagues for a range of mental health worries, and provided £487,964 in financial aid to those struggling the most.

Despite the challenges COVID-19 has placed on running a programme of live events, we launched and hosted our first Leaders Summit, attracting over 100 HRDs and their teams from retailers across the country. The event created an open environment for participants to share best practice, discuss the unique challenges faced by the retail industry and set the standard in workplace wellbeing for the future happiness of our retail colleagues.

Meanwhile, our supported living estates continue to deliver industry leading support. Our five supported living estates across the UK in London, Derby, Glasgow, Liverpool and Salford provide a much-needed safe haven and happy community for more than 450 residents. With access to the latest smart home technology in our digitally-enabled properties, our residents are able to fully enjoy the highest quality of life in their later years.

Income from residential services grew by 5.6% with a return to average void rates of 3% from an all-time high of 6.2% last year.

We have commenced the refurbishment of Marshall Hall, a beautiful, listed building on the Marshall Estate in London, to create ten new smart flats with works completed in December 2022.

Charitable income grew by 26% year on year with a further decline in gifts in kind of 17%, which continues to fall as the economy struggles to make sense of ever-changing market conditions. Gifts in kind aside, there was a 44% increase in income from fundraising activities where we saw the impact of better engagement with our corporate partners drum up support for our activities to promote the wellbeing of our colleagues in the sector. We remain grateful to all who have supported so generously even in these most unexpected times.

# Retail Trust

## TRUSTEES' REPORT (continued)

Our cash position remains robust with immediate cash of £4.4m allowing us to ringfence funds towards our business transformation projects. Our investments recovered to £2.1m from £1.8m following the volatile stock markets this time last year, and our total reserves have grown to £35.1m, an increase as a result of the growth in engagement with our wellbeing services and support from the sector. The robustness of our balance sheet creates the perfect foundation for us to focus on our wellbeing strategy as we seek to ensure the Trust sits at the heart of how retail looks after its people.

Our cause, part of the DNA of the Retail Trust for 190 years, is to create hope, health and happiness for everyone who works in retail. I am pleased to report that we have continued to grow our coalition of people, leaders and brands who believe in our mission.

As the UK's largest industry, we have only just begun to scratch the surface of the good we can do. Together we will effect change that benefits our colleagues, their communities, the companies they work for and the retail industry as a whole.

With personal best wishes to all

A handwritten signature in black ink, reading 'Alistair McGeorge'.

Alistair McGeorge  
**Chair of Trustees**

# Retail Trust

## TRUSTEES' REPORT (continued)

The Trustees present the report together with the audited financial statements of the TRUST for the year ended 30 April 2022. The Trustees are directors under company law and this report represents the directors' Annual Report and the Strategic Report.

### **OBJECTIVES AND ACTIVITIES**

#### **1. KEY OBJECTIVES**

The Charity shall operate for the public benefit in pursuance of the following charitable objects to support individuals who are or have been in employment within the retail and associated sectors in need because of youth, age, ill-health, financial hardship or another disadvantage, in particular by:

- the provision of wellbeing services, for example counselling, cognitive behavioural therapy and critical incident support;
- the provision of advice and assistance, particularly to individuals who would otherwise be unable to obtain such advice;
- the provision of specially designed or adapted housing and items, services and facilities calculated to relieve the needs of beneficiaries;
- the provision of grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve financial hardship or distress;
- advancing awareness and understanding, social inclusion and mobility of individuals, in the retail and associated sectors by providing financial assistance through educational grants and bursaries, advice and assistance and organising educational programmes and other activities to develop their skills, capacities and capabilities to enable them to gain employment in the retail sector;
- furthering such other purposes which may be charitable according to the law of England and Wales and the law of Scotland in connection with the retail and associated sectors in the United Kingdom as the Directors see fit from time to time by the provision of financial and other support.

#### **2. KEY ACTIVITIES**

The TRUST organises its operations around four key activities:

- Supported Living, for those who have retired from the sector;
- Wellbeing Services, for those still active in the sector;
- Fundraising, creating opportunities for those who work in the sector to engage and partner with us

to accomplish our cause.

Our Learning & Development activities were discontinued last year as we recognised the need to target our efforts more robustly towards the focus of the industry. As such our Wellbeing activities have become front and centre of our activities to continue to contribute to the Hope, Health and Happiness of all involved in the sector. All of these operations have as their primary objectives the Wellbeing of all beneficiary groups involved.

### **STRATEGIC OPERATIONS REPORT**

#### **1. OVERVIEW**

The TRUST is the oldest trade charity in the UK covering over 3 million people working in retail and supporting industries through to the end of the reporting period. Our scope is the wellbeing of everyone involved in all forms of retail and retail supporting services, from factory to warehouse, from shop floor to online supply chain and all functions supporting that journey particularly in the wake of the coronavirus pandemic.

#### **Supported Living**

The TRUST owns and operates supported living estates for retirees in London (Mill Hill), Derby (Leylands), Glasgow (Crookfur), Liverpool and Salford. The provision of retirement estates has been a key part of our work since 1897. It includes both the provision of supported living and extra care services.

We currently support circa 450 residents in highly regarded accommodation with superior support services.

During the past year, we continuously reviewed safety control measures across all Estates to protect residents and staff and reduce the spread of the COVID-19 virus.

Continuing our commitment to the development of smart villages across our Estates, we have made significant progress on our dashboards development, which will allow us to build a working framework at Glasgow and will eventually enable the rollout of the smart village template across all of our estates within the next two years.

Maximising the potential of our physical assets remains key to our sustainability. In February 2022, we commenced the development of 10 new digitally-enabled units at Marshall Estate, London, partly funded by a bank loan. This is a change to our plans to commence the development of 12 new digitally-enabled units at Leyland's Estate, Derby fully funded by



# Retail Trust

## TRUSTEES' REPORT (continued)

a Bank of Scotland loan. The latter is now on hold, and the change in programme was driven by key reports prepared for us by professional surveyors to ensure we are embarking on this programme of works in a responsible and sustainable manner.

In Supported Living we continue to invest in the development of "Smart Homes and Villages" for our residents and the provision of smart devices across our estates continues to provide valuable insights and learning for our team across England and in Scotland.

We continue to see our void rates reducing across our properties and as our residents and staff continue to adapt quickly to the new order of life post-pandemic, we are seeing a return to high interest in renting accommodation at our Estates, and using the catering services provided for non-residents through our restaurants.

There continues to be a strong case for our "smart homes and villages" and for our asset optimisation program.

### **Wellbeing Services**

The re-brand and launch of our key themes of Hope, Health and Happiness at the beginning of the year, has generated strong engagement from existing and new customers of our wellbeing services. These themes have allowed us to demonstrate the relevance of our services to the ever-changing needs of the sector in the current climate of uncertainty.

We have shone a spotlight on mental wellbeing particularly through our training programmes and created programmes that develop confidence and destigmatise conversations around mental health as evidenced in the feedback we consistently receive from our partners.

During the last year, Retail Trust received immense and invaluable support from Social Business Trust, to review and transform our wellbeing strategy for the next three years. This has allowed us to define our ambition to triple our Social Return on Investment by 2024 from £69m to £210m.

To achieve this, we have invested in growing the wellbeing team, increasing engagement with our customers through relevant events, surveys and training, and promoting a focus on high quality services and materials to ensure the sector is effectively supported beyond grant-giving and counselling activities.

We have continued to invest in improving our systems and people to ensure that we can respond to the needs of the sector in a way that is relevant and that moves from being reactive to proactive. Finding the right partners to come on this journey with us is the key focus for our activities in the coming year and we believe we have a unique opportunity to create a wellbeing offering that feels natural for our colleagues to interact with and delivers high-impact to the sector.

### **Business Transformation**

With our continued transformation of our digital platforms, we have invested in updating our business systems across Marketing, Finance and Wellbeing during the year, with further investment planned for our Supported Living and Innovation business areas in the coming year.

Our website continues to be a valuable resource for our wellbeing partners and the continued evolution of the content and resources, allow us to intuitively improve the ease of navigating the pages, whilst also ensuring that the learning derived from the engagement with content allows us to prioritise our system development to ensure we deliver valuable information using the best and most efficient means available to us on our platforms.

As we continue to automate our activities, the reporting and management of our reports and our processes becomes much clearer and we recognise that there is still significant room for improvement if we are to maintain current pace of growth and engagement.

To this end, in the next financial period, we plan to overhaul the way that we work, future-proofing our systems and processes to remain relevant and responsive to the needs of our customers. Integration remains a key tool to truly transforming our services and leaning out our processes to add value to existing relationships and to create new opportunities for growth and success.

We are conscious of the need to continue to remain compliant in stewarding personal data on behalf of its owners: our helpline callers, residents, donors, and other contacts. A hallmark of responsible business practice in the digital age is managing these data resources in an ethical manner and in line with GDPR guidelines as they have evolved for the UK in the past 18 months.

# Retail Trust

## TRUSTEES' REPORT (continued)

Our aim as a team continues to be supporting and guiding the transformation of all the Trust's service delivery to meet and ultimately anticipate the needs and expectations of our stakeholders and be a true Trailblazer in the Wellbeing of ALL involved in Retail.

### **2. FINANCIAL REVIEW**

In 2021/22, the Trust has benefitted from 27% growth in Wellbeing services income. This follows the re-structure of the wellbeing team to take a more commercial approach to the services and has resulted in a redefined strategy, with Wellbeing at the helm of Retail Trust's strategy for the next 3 years.

Total income for the period is up 13.8% to £9.68m from £8.5m the previous year. The Trust partnered with Retail Week Awards to minimise the risk of hosting an event so soon after the pandemic, which has allowed a return to regular activities in events income. The ability to partner with others in the industry presents a great opportunity to minimise risk and is an approach that will be continued going forward.

Income from Supported Living housing lettings has grown by 4.6%, following the addition of a further 13 properties at our Glasgow estate in September 2021. Void rates have recovered to 3.04% in 2021/22 from 6.8% in 2020/21, a reflection of coming out of the pandemic and lockdowns and their negative impact on Housing operations.

Learning and Development programs ceased in February 2022, as we recognised the challenges with our model were primarily due to a shift in the focus of the sector to Wellbeing and supporting people in Retail with more immediate support through grants and counselling.

Costs have increased by 8.4% during the year, with a notable rise in Supported Living expenditure where the impact of rising costs of services had already begun to trickle through into regular operations at the end of 2022. While these were expected costs, it would be careless not to mention that the ongoing cost of living crisis will have a significant impact on the coming periods. Increased demand for our counselling services, grants and training programmes will likely dwarf the costs faced in the period 2021/22. As such, there is a renewed focus on value addition and value for money reviews of existing contracts for services ahead of 2023.

A 17.4% decline in Gifts In Kind £0.18m, does not capture the significant support received from Social

Business Trust (SBT) during the year as it would have been impossible to justify the cost of engaging with such a partner if their activities weren't provided entirely pro-bono. The support and engagement invested by the organisation would have cost over £0.6m and has already begun to contribute to a new focus on Wellbeing Innovation for the Trust. We continue to partner with SBT and review and re-align our activities to our updated strategy for the next 3 years.

The FRS102 calculation gives a more market-sensitive valuation of the pension scheme than a triennial valuation. As there is a triennial valuation currently underway for the period ending 30 June 2022, the Trust has made no further provision for the pension scheme and will consider its policy for provisioning following the outcome of the actuaries calculations.

These movements contributed to a net surplus of £1m and total comprehensive income of almost £0.65m during 2021/22. Net assets have increased in line with other comprehensive income to £35.0m. At 30 April 2022, cash at bank and in hand was £5.39m, £1.04m up on the previous year.

### **3. VALUE FOR MONEY (VFM)**

Our Sector continues to experience significant challenges both structurally and economically. The impact of inflation and the war between Russia and Ukraine has accentuated that process markedly. It is imperative therefore that we ensure VFM in the support and services we provide to the sector.

We manage our VFM controls via the Executive Directors business meetings with clear policies on tendering and astute contract negotiation.

### **DELIVERY OF VFM DURING 2021/22**

#### **Social Impact**

The TRUST plays an integral role in supporting public services. We create considerable fiscal savings and economic benefits through reducing the impact on health services, social care, and welfare benefits by delivering wellbeing support, supported living, financial inclusion and career development services.

Since The Social Value Act of 2012, the measurement of public services and public sector projects is in part driven by the social impact and social value created. We now have a responsibility to account for Social,

# Retail Trust

## TRUSTEES' REPORT (continued)

Economic and Environmental impact of the projects and services we deliver.

This applies to physical health, mental health, employment and skills, education, social care, housing and construction projects. Commissioners are required to factor social value into the procurement and funding process. Social Value is then measured and evaluated throughout the project or service delivery. Evidence needs to be visible of Value for Money, Social Value added and Social Impact.

In 2021/22, Retail Trust created £129.2m in social value, an increase of 31% from £99m in 2020/21. This translates to a Social Return on Investment (SROI), of £15.63 per £1 spent. A 33% increase on the prior year value of £11.73. Wellbeing generates £97.5m of this result, nearly as much as the £98.9m the Trust created in 2020/21. Of this figure, £29.7m was created through "in-the-moment" single telephone counselling sessions and a further £7.5m was generated from website use. A significant indicator of the relevance of our services and justification for the refresh of our wellbeing strategy during the year.

We have continued to work with Loop, formerly Social Profit Calculator, to ensure we robustly measure those impacts and to ensure we use relevant KPIs in our calculations.

We maintain our belief that the measurement of the outputs provides the strongest evidence of the value for money we deliver.

### **Regulator of Social Housing Value for Money Metrics**

There are seven VFM metrics which the RSH requires us to measure as we are in part a Social Housing provider.

They relate mostly to Supported Living Housing and are as follows: -

#### **Metric 1 Reinvestment in Housing Property Assets**

The reinvestment figure for the year was 1.50% compared to prior year 2.4%. With the completion of phase I and II in Scotland, the London conversion of office space into residential property is a much smaller project for 10 units compared with 43 units.

#### **Metric 2a/2b New Housing Provision**

During the year, we added 0 units to the Social Housing portfolio.

#### **Metric 3 Gearing %**

During the year, we recorded (1.16%) gearing, compared with 2020/21 at 1.57%. The figure is after drawing down £5m of bank borrowing from Bank of Scotland. The repayment of a third of the loan began in February 2021 and continues until 2029 when a bullet repayment of the balance is payable or the option to refinance the loan.

#### **Metric 4 EBITDA MRI Interest Cover**

The figure for 2021/22 indicates interest is covered 10.2 times by cash generated in year.

#### **Metric 5 Headline Social Housing Cost £**

Per unit the cost was £8.4k in 2021/22 up from £7.65k in 2020/21 due to the pause in redevelopment during the year.

#### **Metric 6a and 6b Operating Margin**

Social housing operating margin 28.33% and overall TRUST 9.24% in 2021/22 compared to 30.93% and 2.16% in 2020/21.

#### **Metric 7 Return on Capital Employed**

In 2021/22 the figure is 2.1% compared to 0.43% in 2020/21.

### **Example of VFM delivery**

#### **WELLBEING SERVICES**

The ability to deliver 7.4k sessions of single telephonic counselling sessions, on-demand, through our in-house counsellors throughout the past year has allowed us to ensure that people can access support quickly, confidentially and with the confidence that their needs can be met at the point where they can have the most impact.

### **POLICIES**

#### **1. RESERVES**

The Board has developed a reserves policy which is in line with the guidance given by the Charity Commission's booklet CC19 and subsequent documents. Following a review of the risk register, an appropriate level of reserves has been established so as to enable the TRUST to continue its charitable activities and related support for a period of one year if fundraising income is reduced by 50%.

Note 21 reflects the relevance of the increased focus on Wellbeing services as undesignated reserves grew to £7.87m from £5.78m. An FRS102 loss on pension reserves increases the liability by £0.367m in the year.

# Retail Trust

## TRUSTEES' REPORT (continued)

Retail Trust has 'free' reserves of £6.8m, being the difference between the pension reserve and retained earnings. Some of these funds have been designated towards the provision of £0.348m financial aid during the coming period 2022/23 and further investment is anticipated in future towards delivery of a turbo-charged wellbeing service. The majority of the Trust's excess cash is being maintained in recognition of our liability relating to the facility agreement used to fund much of the investment in Glasgow. This is to allow the Trust to make an optional repayment of the full £3.33m balance of the Tranche B portion of the loan the remaining funds are held to allow us to remain within our requirement of £1.0m 'free reserves'. As the organisation evolves, this figure of £1.0m will need to be revised to ensure coverage of 6 months of necessary operational costs, at any time.

The other reserves are restricted or designated in nature and are described in more detail in Notes 21, 22 and 23. Restricted reserves are used only for the purpose for which the donor has specified. Designated reserves are those reserves which have been set aside by the TRUST to be used for a named purpose. If that purpose subsequently is not relevant, then these reserves are transferred back to unrestricted. It is expected that restricted reserves will be spent over the next 2 years and that the designated reserves will be spent over the next 5 years.

### **2. KEY MANAGEMENT PERSONNEL REMUNERATION**

All key management personnel receive a base salary which is based on factors such as qualification, length of service, experience and performance and their package may include superannuation and fringe benefits.

The Trustees review Executive Director packages annually through the TRUST's Remuneration Committee and by reference to its financial performance and individual Executive performance.

The remuneration policy is designed to attract the highest calibre of Executives and reward them for performance that results in the long-term growth and sustainability of the TRUST.

The TRUST's employment policy is to offer fair pay to attract and keep appropriately qualified Executives to lead, manage, support and deliver its aims.

The Trustees, through the Remuneration Committee, are ultimately responsible for setting remuneration levels for the Executive Directors. The Executive Directors, working within guidelines supported by the Trustees, are responsible for the setting of salaries for

staff below Executive Director Level.

In deciding the levels of pay and rewards for the Executives, Trustees consider:

- the purposes, aims and values of the TRUST, and its beneficiaries' needs;
- the competitive nature of the work and recognition that performance related pay and incentives may be appropriate at Executive level;
- how Executive pay is linked to the skills, experiences and competencies that the TRUST needs and the scope of their roles;
- the TRUST's ability to pay without impacting charitable services.

Trustees will also consider:

- the benefit to the trust that such positions will bring;
- the cost to the trust of increasing remuneration levels;
- affordability, including in the longer term (based on a risk assessment of future income and expenditure);
- an assessment of the TRUST's and Executives performance against KPIs, budget, expectations, both short and long term;
- the wider 'employment offer' they can make to executive members, where basic pay is one part of a package that includes personal development, personal fulfilment and association with the trust's cause;
- the TRUST's track record in attracting and retaining committed and motivated Executives.

### **3. HEALTH AND SAFETY**

The health and safety of residents, employees and volunteers is of paramount importance to the TRUST. There is a robust health and safety structure at each location, coordinated by a Health & Safety Committee which devises and reviews policies as necessary in line with legislation and good practice. Regular Health & Safety audits take place with an action plan devised to ensure effective resolution of any issues arising. An annual report is presented to the Board.

A full review of all these policies was initiated as part of the resilience programme against impacts of COVID19. The Board of Trustees are confident that the Trust has adequate resilience in place to continue to weather the impact of COVID-19 and any resurgence of the virus in the coming year.

# Retail Trust

## TRUSTEES' REPORT (*continued*)

### 4. INVESTMENT

The TRUST has adopted a capital and income growth policy which, over the long-term (over 5 years' time), will endeavour to maintain the value of the assets.

As permitted by the TRUST's rules, the Board instructed Evelyn Partners Investment Management LLP, (formerly Smith & Williamson Investment Services Limited) to operate on a discretionary basis since 2015. The investment performance is benchmarked against a composite of indexes being UK Government bonds Markit iBoxx GBP Gilts 1-5 Yrs) (10.0%), HFRX Global Hedge Fund (10.0%), Alternatives – MSCI ACWI ex UK NR (35.0%), MSCI UK Investable Market Index (35%), MSCI UK IMI Core Real Estate NR (5%), SONIA Lending Rate (5.0%).

The actual return in the year was 4.9% which compares with the benchmark of 10.2%. This is in line with the Trust's continued approach of risk avoidance given the volatility of the current economic climate. The TRUST meets with the investment managers regularly to review performance. The portfolio is maintained to a risk profile as agreed with the Board.

During the year, the portfolio has experienced varied movements, valued at £1.75m at 30 April 2022.

### 5. FINANCIAL ASSISTANCE

The Trust awarded £488k in financial assistance grants, a decrease of 49% on the previous year, as we started to review the way that we disburse funds and recognise a growing need for counselling support for adults and now, also, under 16s. A generous campaign run by Barclays allowed us to purchase 100 laptops, cost of which is included in the amount disbursed, to address digital poverty in the sector for those wishing to further their education. These were awarded based on the TRUST's grants policy and guidelines which take into account the financial status and specific needs of each applicant. The Board receives regular updates on the level of financial grants awarded.

### 6. PENSION

The TRUST sponsors group personal pension arrangements with Legal and General which has £1.038m funds under management in individual employee name policies. This arrangement commenced in 2014 and a small percentage of employees have opted out of this auto-enrolment scheme.

The TRUST previously operated a defined benefit final salary pension scheme (FS) which was closed to new entrants in 2008. From 2009 a career average scheme

(CARE) for new entrants was operated. CARE was closed to new entrants in March 2013. Both schemes were closed to future accrual on 31 January 2014.

Under Financial Reporting Standard FRS102 there was a deficit at the year-end of £1.04m for the FS/CARE schemes. This compares with a deficit of £0.6m in the previous year

### 7. FUNDING

Traditional fundraising activities (excluding Donations in Kind) continue to be less of an income source for Retail Trust

The majority, 96.6% of our income comes from paid for service; residential services, corporate partnerships or wellbeing services, all of which are subject to a minimum contract duration of one year.

Sources of funding

- Residents
- Local authorities
- Grants & Institutions
- Wellbeing Services

This funding model allows the Trust to plan and mitigate against financial incidents and promotes some stability of income. It also allows us to continuously pivot to meet the needs of our clients, coping with the changing wellbeing landscape and the ongoing challenges faced by our beneficiaries.

Within the traditional fundraising disciplines our key focus is on Events, Challenges, Trusts and Institutions and Donors both individual and corporate. However, looking forward, our strategy continues to be driven by our wellbeing services as traditional sources such as Events slowly return to the extent that they existed pre-pandemic.

### 8. FUNDRAISING REGULATOR

We are registered with the Fundraising Regulator, demonstrating our commitment to ethical fundraising practice. We are committed to abide by the Code of Fundraising Practice and to the Fundraising Promise and are authorised to use the Fundraising Regulator badge on our fundraising materials.

To deliver our charitable purpose, we actively engage in maintaining and growing a wide range of funding sources.

All fundraising supports the TRUST's strategy and is in keeping with its values, ethics and reputation. Fundraising activity adheres to the following standards and complies with all relevant laws, including GDPR regulations:

# Retail Trust

## TRUSTEES' REPORT (continued)

- the TRUST is committed to protecting data and privacy. We ensure that any information given to us is held securely and safely;
- the TRUST holds and processes personal details in accordance with Data Protection Legislation, which is the Data Protection Act 2018 and the General Data Protection Regulation (EU) 2016/679;
- the TRUST is registered with the Information Commissioner (Registration Number Z8109661);
- all communications to the public shall be truthful and open;
- all monies raised will be for the stated purpose and will comply with our stated mission and purpose;
- all personal information is confidential and is not for sale or given away or disclosed to any third party without the individuals consent;
- no person directly or indirectly employed or volunteering shall accept commissions, bonuses or payments for fundraising activities on behalf of the organisation;
- all fundraising activities must protect the reputation and integrity of the TRUST at all times;
- financial contributions will only be accepted if considered ethical;
- we are always sensitive to signs that may indicate that any individual is in vulnerable circumstances, and needs support to make an informed decision. If we reasonably believe the individual lacks capacity to make a decision then a donation will not be accepted or will be returned if already made.

There were no fundraising complaints during the year.

### **9. COMPLAINTS**

When we receive a complaint, we endeavour to resolve it quickly, fairly and effectively. We continue to improve the services we provide by listening and responding to the views of our clients, partners and stakeholders and by responding positively to complaints. We aim to ensure that:

- making a complaint is as easy as possible;
- we treat a complaint as a clear expression of dissatisfaction with our service which calls for an immediate response;
- we deal with it promptly, politely and where appropriate confidentially;
- we will respond in the correct way, for example, with an explanation, apology or information on any action taken;
- we will learn from complaints and use them to improve the services that we offer.

### **10. GDPR**

We have a robust internal process for review of any issues we are notified of with regard to GDPR. There is a Data Protection Officer who is the nominated person for the ICO.

We continue to take data protection and data governance seriously and are working to ensure that digital developments take place within a framework that respects the rights of the individuals who share their data with us. To support this commitment, we continue to review our activities and provide annual training materials with the support of our Data Protection Officer, to help the Trust continue to work towards responsible digital transformation.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **1. INCORPORATION, LEGAL AND ORGANISATIONAL STRUCTURE**

The TRUST was incorporated on 17 July 2001 as a private company under the Companies Act and registered as a charity on 17 January 2002. Its memorandum sets out the objects and powers of the organisation and is governed in accordance with its Articles of Association. The TRUST complies with HCA Governance & Financial Viability Standard. The retirement estates are across five locations in the United Kingdom; London, Glasgow (Crookfur), Derby, Liverpool and Salford.

### **2. GOVERNANCE**

The governing body of the TRUST is the Board of Directors, who are the TRUST's Trustees. The Board governs the organisation in line with its vision, aims and strategy. It is also responsible for compliance with the legal and statutory requirements of a UK charity and of a registered company.

The Board comprises at least three and not more than fourteen members or such other number as the Trustees may decide. New members are selected using formal recruitment processes and elected to the Board by the existing membership.

Trustees serve for three years with a second term available also of three years in line with Charity Commission best practice. The normal tenure of a trustee is therefore six years.

# Retail Trust

## TRUSTEES' REPORT (*continued*)

There is a formal induction programme for new Trustees and all Trustees are encouraged to undergo external training for continuing development.

The Board met five times in the year to oversee and steer the work of the organisation; management of the TRUST is delegated by the Trustees to the Chief Executive and the Executive team. It delegates appropriate functions to the Board sub-committees listed below and at least two members of every committee must be a Trustee.

### ***Sub-committees***

### ***Chair***

Risk/Audit/Finance	Brian Small
Remuneration & Nominations	Mike Logue
Supported Living & Property	Philip Bell-Brown

### **3. PUBLIC BENEFIT STATEMENT**

The TRUST develops its strategic plan to provide public benefit and achieve its objectives as set out in the objects of the TRUST.

The Trustees confirm that they have referred and had due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the TRUST's aims and objectives and in planning future activities.

### **4. INTERNAL CONTROL**

The Trustees have overall responsibility for establishing and maintaining the whole system of internal controls and for overseeing its effectiveness.

The Board recognises that no system of internal control can provide absolute assurance or eliminate all risk. The system of internal control is designed to manage risk and provide assurance that 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 information and the safeguarding of the TRUST's assets and interests. In meeting its responsibilities, the Risk, Audit and Finance Committee (RAF) has adopted a risk-based approach to internal controls. This includes a regular review of the risks to which the TRUST is exposed, evaluating their nature and impact. Risk self-assessments are performed throughout the year and are audited on an annual basis.

The Board appointed Mazars LLP to act as its internal auditors and a 3-year plan of audits commenced in May

2018. All audit reports, subsequent actions and follow ups are considered by the RAF Committee. A schedule of actions is prepared periodically and reviewed with the Chief Financial Officer and subsequently presented to the RAF committee for review.

The means by which the Board reviews the effectiveness of the systems of internal control, together with the robustness of the risk management framework, include standing orders and financial regulations which clearly set out the systems of delegation and authority which are in place. These are reviewed on a regular basis by the Board. There are also defined policies and procedures with which employees and Board members must comply to ensure the completeness and accuracy of transactions.

The RAF Committee meets up to four times per year. It considers the external auditor's management letter which outlines weaknesses in internal control. Action to rectify weaknesses identified is monitored by the committee.

### **5. RISK**

Trustees consider the key risks facing the TRUST are:

#### **Financial**

The risk is that the income generation from services, donations and other fundraising activity is insufficient to meet the needs of the beneficiaries. We manage this risk to services and fundraising activity by monitoring and regularly evaluating existing income sources, by developing new sources of funding and encouraging strong expenditure controls. In extreme circumstances, the Trustees may need to reconsider some of the forms of support we provide.

#### **Failure to support those in need**

Failure to create awareness of the TRUST in potential beneficiaries who are in need. We manage this through continuous marketing, an engaged feedback and relationship management process with retailers and networking. We monitor the reach of our services by use of KPI measures and are dedicated to delivering practical support, guidance and development opportunities to those most in need.

#### **Residential Estates sustainability**

The risk that voids are not managed sufficiently well to continue to produce trading surpluses which can sustain not only future growth plans but ongoing maintenance and repair costs. This is a constant focus of the Housing team and the low void rates of 3.4% at the end of the period, highlight the popularity of the

# Retail Trust

## TRUSTEES' REPORT (continued)

estates.

We mitigate future challenges by strictly following government guidelines and ensuring our internal controls are regularly reviewed and updated in line with the guidelines and monitoring those of the local authority care providers attending our extra care facilities.

### **Safety**

The risk is an incident which would impact residents, visitors or employees. We manage this through a rigorous process of health and safety procedures and independent audits. During the winter months, we encourage all staff and residents to take the flu jab and COVID boosters, where relevant to limit as much as possible any impact of flu-related outbreaks across our teams, in particular, those working with our elderly residents.

### **Data Protection**

The TRUST undertakes rigorous work to ensure compliance to GDPR. Independent audits continue to be a standard feature with regular updates and clear guidance on managing how information is used, passed on, and stored particularly with remote working in place for the majority of employees.

### **Cyber Security**

The TRUST is aware of the risk of cyber-attacks and promotes investment in resources and scrutiny which manages the risk. A full update of the Trust's Business Continuity Plan has been completed with the various system updates that have taken place in the financial year and a further review and update of the Trust's Disaster Recovery Plan, insurances and audits are planned for the coming year.

### **Disaster Recovery and External Events**

We have created plans which would be followed in the event of a disaster. For this purpose, disasters fall into the following categories:

Financial – a loss exceeding £1m

Physical – a disaster on one of the estates such as a coronavirus outbreak

Reputational – in the national press with adverse reports for three days or more

Industry – a huge loss in the community which we serve

In each case, a pre-determined committee would meet with a set of pre-determined actions. Public relations messages would be prepared and ready to be released.

Our Business Continuity Planning and Disaster Recovery Plans have been reviewed to include a communications

process for our stakeholders in the event of localised and national lockdowns such as were experienced during the COVID-19 pandemic.

## **6. FRAUD**

The TRUST manages fraud risks through the system of internal controls and procedures. There is also an anti-fraud policy in place which sets out clear procedures for the reporting and investigation of suspected irregularities of any sort.

All cases of fraud or attempted fraud are reported to the RAF so they may consider whether appropriate action has been taken and whether internal controls require further review. All matters of financial loss are reported to the Police and all cases above the limit set by the Homes and Communities Agency are reported to them. The anti-fraud policy contains the clear message about the sanctions that will be employed for members of staff who are found to have perpetrated a fraud. A register of all incidents is open for inspection by members of the Board.

## **7. STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

Company, housing and trust law 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 group and the parent and of the income and expenditure of the group and the parent for that period.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Housing SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 group and the parent will continue in business.



# Retail Trust

## TRUSTEES' REPORT (continued)

The Trustees are responsible for keeping adequate accounting records to show and explain the group's and the parent's transactions and disclose with reasonable accuracy at any time the financial position of the group and the parent and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2019, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the group and the parent 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 corporate and financial information included on the TRUST's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **8. STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR**

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### **9. SUBSIDIARY UNDERTAKINGS**

At 30 April 2022 the TRUST had three subsidiaries, Retail Trust Events Limited, Cottage Homes Contracts Limited and RT Wellbeing Services Limited which are incorporated as private companies under the Companies Act 2006.

Retail Trust Events Limited is a trading subsidiary and conducts celebration events and other trading activities.

Cottage Homes Contracts Limited is a subsidiary which manages building and maintenance contracts of behalf of the TRUST.

RT Wellbeing Services Limited is a subsidiary which

manages income and costs of Wellbeing Services.

Retail Trust is the ultimate controlling party of all subsidiaries.

### **10. DIVERSITY AND EQUALITY**

During the year, we continued to deliver relevant training and resources as standard to all employees. We have introduced clearer guidance for all employees to feel empowered to contribute to the topic of diversity, equality and inclusion in the workplace.

Mental health and wellbeing continue to be at the forefront of our activities and we continue to ensure that our employees are happy and healthy in their personal and professional lives. Our content and resources, which have proven relevant for our partners, has been just as engaging internally and we endeavour to remain open and accepting of all people.

Remote working remains a permanent option for our teams and we have been able to further drive flexible working across the Trust with the opening of our central London hub, making collaboration and supporting each other easier for those who regularly travel away from their base locations for client engagements.

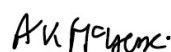
We encourage our employees to "Share the Load". Particularly with managers who often are encouraged through understanding each other's challenges and embracing the learning that other teams have benefitted from through adapting continuously to our changing needs as human beings.

We continue to challenge ourselves to ensure that employee wellbeing, diversity and inclusion is central to our organisations strategic planning moving forward.

### **11. AUDITORS**

Haysmacintyre LLP have been appointed as the auditor at the Annual General Meeting.

This Trustees Report, including the Strategic report was approved by the Board on 23 March 2023.



Alistair McGeorge

Chairman



Brian Small

Honorary Treasurer

# Retail Trust

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RETAIL TRUST

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### Opinion

We have audited the financial statements of Retail Trust for the year ended 30 April 2022 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statements of Changes in Equity, the Consolidated 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 Financial Reporting Standard 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 group's and of the parent charitable company's affairs as at 30 April 2022 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2019, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

# Retail Trust

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RETAIL TRUST (CONTINUED)

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### **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 (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group and the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the regulation of registered charities and registered providers of social housing, as well as the health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008, payroll tax and sales tax.

# Retail Trust

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RETAIL TRUST (CONTINUED)

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We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined the principal risks to be around the potential use of fraudulent journals and management manipulation of accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual descriptions or for significant values; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Tracey Young (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditor  
5 April 2023

10 Queen Street Place  
London  
EC4R 1AG

# RETAIL TRUST

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 April 2022

	NOTES	2022 £	2021 £
<b>INCOME AND ENDOWMENTS from:</b>			
Charitable income	1	1,192,862	942,123
Supported Living	2	5,876,190	5,619,271
Trading income	3	2,466,075	1,769,393
Other income	4	147,874	176,218
<b>TOTAL INCOME</b>		<b>9,683,001</b>	<b>8,507,005</b>
<b>EXPENDITURE on:</b>			
Raising funds	5	(921,223)	(798,103)
Supported Living	2	(4,248,127)	(3,808,568)
Helpline, grants and other services	6	(3,496,293)	(3,386,486)
<b>TOTAL EXPENDITURE</b>		<b>(8,665,643)</b>	<b>(7,993,157)</b>
<b>OPERATING SURPLUS</b>	7	<b>1,017,358</b>	<b>513,848</b>
Investment income	8	52,398	62,065
Pension costs	20	(92,000)	(126,000)
<b>NET SURPLUS</b>		<b>977,756</b>	<b>449,913</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
(Loss)/Gains on investments	15	(48,409)	285,588
Actuarial (deficit)/surplus in pension scheme	20	(275,000)	1,825,000
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>(323,409)</b>	<b>2,110,588</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>654,347</b>	<b>2,560,501</b>

All the above results are derived from continuing activities. There are no recognised gains or losses other than those stated above. The notes on the accompanying pages form part of these financial statements.

The notes set out on pages 25 to 47 form an integral part of these financial statements

**RETAIL TRUST**
**CONSOLIDATED BALANCE SHEET**

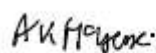
as at 30 April 2022

Company Registration No. 04254201

	NOTES	2022 £	2021 £
<b>FIXED ASSETS</b>			
Housing properties	13	35,011,812	35,051,029
Other tangible fixed assets	14	1,788,607	1,732,392
Investments at market value	15	2,070,416	2,107,190
<b>TOTAL FIXED ASSETS</b>		<b>38,870,835</b>	<b>38,890,611</b>
<b>CURRENT ASSETS</b>			
Debtors	17	1,379,653	926,196
Cash and cash equivalents	18	5,390,051	4,350,844
<b>TOTAL CURRENT ASSETS</b>		<b>6,769,703</b>	<b>5,277,040</b>
CREDITORS: amounts falling due within one year	19	(2,412,740)	(1,886,282)
<b>NET CURRENT ASSETS</b>		<b>4,356,963</b>	<b>3,390,758</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>43,227,79</b>	<b>42,281,369</b>
CREDITORS: amounts falling due after more than one year	19	(7,053,503)	(7,128,420)
Pension liability	20	(1,041,000)	(674,000)
<b>NET ASSETS</b>		<b>35,133,296</b>	<b>34,478,949</b>
<b>RESERVES</b>			
Unrestricted reserves	21	34,723,049	34,059,799
Restricted reserves	22	34,247	34,247
Endowment funds	23	376,000	384,903
<b>TOTAL RESERVES</b>		<b>35,133,296</b>	<b>34,478,949</b>

The financial statements on pages 20 to 47 were approved by the Trustees and authorised for issue on 23 March 2023 and are signed on their behalf by:

Alistair McGeorge



Chairman

Brian Small



Honorary Treasurer

as at 30 April 2022

	NOTES	2022 £	2021 £
<b>FIXED ASSETS</b>			
Housing properties	13	35,011,812	35,051,029
Other tangible fixed assets	14	1,724,473	1,620,604
Investments at market value	15	2,070,416	2,107,190
Investment in subsidiaries	16	156	156
<b>TOTAL FIXED ASSETS</b>		<b>38,806,857</b>	<b>38,778,979</b>
<b>CURRENT ASSETS</b>			
Debtors	17	3,166,154	2,359,395
Cash and cash equivalents	18	2,433,112	2,153,992
<b>TOTAL CURRENT ASSETS</b>		<b>5,599,266</b>	<b>4,513,387</b>
CREDITORS: amounts falling due within one year	19	(1,070,587)	(1,113,515)
<b>NET CURRENT ASSETS</b>		<b>4,528,679</b>	<b>3,399,872</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>43,335,536</b>	<b>42,178,851</b>
CREDITORS: amounts falling due after more than one year	19	(7,053,503)	(7,128,420)
Pension liability	20	(1,041,000)	(674,000)
<b>NET ASSETS</b>		<b>35,241,033</b>	<b>34,376,431</b>
<b>RESERVES</b>			
Unrestricted reserves	21	34,830,786	33,957,281
Restricted reserves	22	34,247	34,247
Endowment funds	23	376,000	384,903
<b>TOTAL RESERVES</b>		<b>35,241,033</b>	<b>34,376,431</b>

The total comprehensive income for the year of the Parent Company is £864,603 (2021: £2,656,047).

The financial statements on pages 20 to 47 were approved by the Trustees and authorised for issue on 23 March 2023 and are signed on their behalf by:

Alistair McGeorge

*Alistair McGeorge*

Chairman

Brian Small

*Brian Small*

Honorary Treasurer

# RETAIL TRUST

## CONSOLIDATED AND PARENT STATEMENT OF CHANGES IN EQUITY

for the year ended 30 April 2022

CONSOLIDATED	Unrestricted Reserves £	Restricted Reserves £	Endowment Funds £	Total £
As at 1 May 2020	31,552,389	34,247	331,812	31,918,448
Surplus for the year	449,913	-	-	449,913
Transfers in the year	-	-	-	-
Other comprehensive income	2,057,497	-	53,091	2,110,588
Total comprehensive income for the year	2,507,410	-	53,091	2,560,501
As at 30 April 2021	<b>34,059,799</b>	<b>34,247</b>	<b>384,903</b>	<b>34,478,949</b>
As at 1 May 2021	34,059,799	34,247	384,903	34,478,949
Surplus for the year	977,756	-	-	977,756
Other comprehensive income	(314,506)	-	(8,903)	(323,409)
Total comprehensive income for the year	663,250	-	(8,903)	654,347
As at 30 April 2022	<b>34,723,049</b>	<b>34,247</b>	<b>376,000</b>	<b>35,133,296</b>
PARENT	Unrestricted Reserves £	Restricted Reserves £	Endowment Funds £	Total £
As at 1 May 2020	31,354,325	34,247	331,812	31,720,384
Surplus for the year	545,459	-	-	545,459
Transfers in the year	-	-	-	-
Other comprehensive income	2,057,497	-	53,091	2,110,588
Total comprehensive income for the year	2,602,956	-	53,091	2,656,047
As at 30 April 2021	<b>33,957,281</b>	<b>34,247</b>	<b>384,903</b>	<b>34,376,431</b>
As at 1 May 2021	33,957,281	34,247	384,903	34,376,431
Surplus for the year	1,188,011	-	-	1,188,011
Other comprehensive income	(314,506)	-	(8,903)	(323,409)
Total comprehensive income for the year	873,505	-	(8,903)	864,603
As at 30 April 2022	<b>34,830,786</b>	<b>34,247</b>	<b>376,000</b>	<b>35,241,033</b>



# RETAIL TRUST

## CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 April 2022

		2022	2021	
	NOTES	£	£	
CASH FLOWS FROM OPERATING ACTIVITIES				
Net surplus		977,756	449,913	
Adjustments for:				
Depreciation		772,100	705,661	
Pension Costs		92,000	126,000	
Amortisation of social housing grant		(25,600)	(25,600)	
Increase/(decrease) in debtors		(453,457)	400,361	
Increase/(decrease) in creditors		672,055	109,173	
NET CASH INFLOWS FROM OPERATING ACTIVITIES		2,034,854	1,765,508	
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of fixed assets		(789,097)	(1,059,324)	
Additions to investments		(214,388)	(348,615)	
Proceeds from sale of investments		205,649	353,858	
Gain on investment		887	1,900	
NET CASH (OUTFLOWS) FROM INVESTING ACTIVITIES		(796,949)	(1,052,181)	
CASH FLOWS FROM FINANCING ACTIVITIES				
Draw down of new long term borrowing		-	775,000	
Repayment of long term borrowing		(194,914)	(32,502)	
NET CASH (OUTFLOWS)/INFLOWS FROM FINANCING ACTIVITIES		(194,914)	742,498	
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,042,991	1,455,825	
Cash and cash equivalents at the beginning of the year		4,418,547	2,962,722	
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		5,461,538	4,418,547	
Cash and cash equivalents				
Cash and cash equivalents	18	5,390,051	4,350,844	
Cash held by investment managers	15	71,487	67,703	
		5,461,538	4,418,547	
	Balance at 1 May 2021	Cash Flows	Movement from >1yr to <1yr	Balance at 30 April 2022
Bank and cash	4,418,547	1,042,991		5,461,538
Loans due within one year	(167,454)	167,454	(171,749)	(171,749)
Loans due after more than one year	(4,800,044)	27,460	171,749	(4,600,835)
Net Debt	(548,951)	1,237,905	-	688,954

## GENERAL DETAILS

The TRUST is a company limited by guarantee, incorporated in England and Wales (company number: 04254201), a charity registered in England and Wales (charity number: 1090136) and in Scotland (Scottish charity number: SC 039684) and Registered Social Landlord (number: L4362). The TRUST's registered office address is: Marshall Hall, Marshall Estate, Hammers Lane, London NW7 4DQ.

## ACCOUNTING BASIS

The format of the financial statements has been presented to company with the Companies Act 2006, FRS102 *The Financial Reporting Standard applicable in the UK and Ireland*, the Statement of Recommended Practice for social housing providers (Housing SORP 2018) and the Accounting Direction of Private Registered Providers of Social Housing 2019. The TRUST is a Public Benefit Entity as defined by FRS102.

## BASIS OF CONSOLIDATION

The group financial statements consolidate the financial statements of the TRUST and its subsidiary undertakings, Retail Trust Events Limited, Cottage Homes Contracts Limited and RT Wellbeing Services Limited drawn up to 30 April 2021 on a line by line basis.

No separate statement of comprehensive income has been presented for the Company alone, as permitted by s408 of the Companies Act 2006. The total comprehensive income for the year for the parent company is £769,642 (2021: £2,656,047).

## GOING CONCERN

The financial statements have been prepared on the going concern basis as the trustees consider there are no material uncertainties about the ability of the group or the company to continue on a going concern basis. It expects that COVID-19 might have some impact in the short term on the volume of Financial Aid applications as we realise the impact of the pandemic on the Retail workforce and the effect of government support tapering off as the rollout of vaccines have allowed a return to near-normal activities.

The Trust completed a critical review of costs and organisational structure to ensure that value for money remains a priority when engaging suppliers and to actively reduce waste and enhance our digital transformation plans to reduce the need to increase personnel costs by employing "smart" solutions in our Housing services.

In relation to expected future performance, or the effects on some future asset valuations, there has been a distinct shift in colleague expectations of their employers to take an interest in their wellbeing. This is most obvious in Retail where we have seen a large-scale exit of people from the sector due to the negative impact the pandemic has had on their wellbeing at work. This has created a greater opportunity for the Trust to increase reach and impact through our Wellbeing Portal and through increased engagement with colleagues of those that subscribe to our Wellbeing services.

There is therefore no material uncertainty that may cast significant doubt on the Trust's ability to continue as a Going Concern. The trustees have prepared budgets and cash flow forecasts to support their consideration of this matter and these are reviewed regularly at the Board meetings and sub-committee meetings and the trustees are confident of the TRUST's ability to continue to support its beneficiaries and meet its obligations based on its cash position and ability to pivot quickly in response to changing economic factors.

## INCOME

All income is included in the consolidated income and expenditure account when the group is legally entitled to the income receipt, is probable and the amount can be quantified with reasonable accuracy. Such amounts are stated net of VAT.

Income comprises rent and service charge contributions from tenants, Supporting People contractual income, income from fundraising events, voluntary income and pecuniary legacies.

Income is recognised on the following bases:

- rental and service charge income is recognised on a time apportioned basis and is stated net of losses from void properties;
- income from the provision of supporting people contractual services is recognised as the services are provided;
- fundraising event income is recognised when invoiced or received, whichever is earlier;
- voluntary income is recognised where there is entitlement, probability of receipt and the amounts can be measured with sufficient reliability;
- income tax refunds on donations are recognised on an accruals basis for all payment covered under a deed of covenant or gift aid certificate;
- other gifts in kind to assist with fundraising events are recognised at a reasonable estimate of their value to the TRUST and recognised in the financial statements as income to and resources expended against the respective activities;
- investment interest income and dividend income are recognised when receivable.

**EXPENDITURE**

All expenditure is recognised when the related liability is incurred, and is classified in the Statement of Comprehensive Income according to the activity to which it relates.

Expenditure is recognised on the following bases:

- fundraising costs include the direct costs of events held and related staff and depreciation costs;
- fundraising costs are accrued to match the related income;
- charitable activities costs are the direct costs of financial assistance grants, costs of the employee assistance programme and related staff and depreciation costs;
- supported living and care home costs are the direct costs of management services, maintenance costs, repairs related, staff and depreciation costs;
- service costs are the direct costs for the management and strategic planning processes of the trust and related staff and depreciation costs;
- where direct costs relate to a number of different activities they are apportioned to the different activities on a fair basis;
- overhead and support costs which include the support functions of information technology, finance, governance and human resources are allocated to activities on a consistent and reasonable basis during the financial year. The allocation is based on the number of personal computer units used, transactional activity or a number of staff employed during the period;
- irrecoverable vat is charged to the income and expenditure account and is allocated to the different activities on the same basis as the corresponding costs are allocated.

**ANALYSIS OF TRANSACTIONS BETWEEN REGULATED AND NON-REGULATED ACTIVITIES**

Transactions between regulated and non-regulated activities have been presented with a fair allocation of overheads. Direct costs are allocated between regulated and non-regulated activities based on time and usage of the underlying activity and reviewed each year during the annual planning cycle. Support costs which include the central functions have been allocated as described in the above paragraph.

**FIXED ASSETS – FREEHOLD HOUSING PROPERTIES**

Freehold housing properties are stated at cost.

**Cost of housing properties**

Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period and expenditure incurred in respect of improvements. Items costing less than £500 are not capitalised unless part of larger projects.

Improvements are works which result in an enhancement of economic benefits such as increase in the net rental income, a reduction in future maintenance costs, or result in a significant extension of the useful economic life of the property in the business.

**FIXED ASSETS – FREEHOLD HOUSING PROPERTIES (continued)****Depreciation of housing properties and component accounting**

Freehold land and assets under construction are not depreciated. The Group operates full component accounting.

Depreciation is provided at rates calculated to write off the cost, less any estimated residual value, of each component evenly over its expected useful life, as follows:

Wall structure	125 years
Roof structure	75 years
Doors and windows	75 years
Boilers, electrics and plumbing	30 years
Kitchen and bathrooms	15 years
Lifts and stairs 30 years	30 years
External infrastructure and utilities	50 years
Fittings > £500	20 years
Digital	5 years

The estimated useful economic life for each component has been arrived at based on the Group's current experience of component replacements. The useful economic lives of all components are monitored and revisions made where sustained material changes arise.

**OTHER TANGIBLE FIXED ASSETS**

All other tangible fixed assets are stated at cost less accumulated depreciation. Items costing less than £500 are not capitalised. The carrying values of other tangible fixed assets are reviewed for impairment if events or change in circumstances indicate the carrying value may not be recoverable.

Depreciation is provided at rates calculated to write off the cost, less any estimated residual value, of each asset evenly over its expected useful life, as follows:

Fixtures and fittings	5 years
Office equipment	5 years
Plant and machinery	10 years
Motor vehicles	5 years
Computer equipment and software	4 years
Office buildings	75 years

Land is not depreciated.

**Impairment of assets**

Housing properties and office buildings are subject to impairment reviews annually in accordance with FRS102. Where there is evidence of impairment, housing properties are written down to the recoverable amount. Any such write down is charged to the operating result.

## INVESTMENTS

Investments are valued at market price, as represented by the bid price on the relevant stock exchange at the year-end.

Realised gains and losses on investments are calculated as the difference between sales proceeds and the carrying amount.

Unrealised gains and losses are taken to the Statement of Comprehensive Income.

The TRUST owns deferred shares in Voyager Alliance Credit Union Limited. These shares are held at the value of consideration.

## BASIC FINANCIAL INSTRUMENTS – ASSETS AND LIABILITIES

Basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable are accounted for on the following basis:

### *Cash and cash equivalents*

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

### *Debtors and creditors*

Debtors and creditors are recorded at the transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income. A provision for rent arrears and doubtful debts is made in the financial statements if rent arrears or debtors remain unpaid after six months, or as soon as there is reason to believe there is non-payment of the outstanding amount.

## LIABILITIES

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the TRUST to the expenditure.

### *Financial assistance grants*

Financial assistance grants are payment made to third parties in the furtherance of the charitable objectives of the TRUST. The grants are accounted for where either the Trustees have agreed to pay the grant without condition and recipient has a reasonable expectation that they will receive the grant, or any condition attaching to the grant is outside the control of the TRUST.

### *Grant commitments*

Grant commitments are recognised in the accounting period when the relevant conditions underlying the grant have been met by the recipient or receiving entity of the grant. Grants authorised but unpaid at the balance sheet date are recognised as expenditure in the Consolidated Statement of Comprehensive Income where the conditions underlying the grants have been met.

### *Social Housing Grant*

Social housing grant (SHG) is receivable from Homes England and is utilised to fund the capital costs of housing properties, including land costs. The balance of the grant received is recognised as a liability on the balance sheet and amortised on the same basis as the wall structures of the housing assets.

The amount of SHG receivable is calculated on a fixed basis depending on the size, location and type of housing property. SHG due from Homes England or received in advance is included as a current asset or liability. SHG received in respect of revenue expenditure is recognised in the same period as the expenditure to which it relates.

SHG is subordinated to the repayment of loans by agreement with Homes England. SHG released on sale of a property is normally available to be recycled and is credited to a Recycled Capital Grant Fund and included in the Balance Sheet in creditors. The SHG is repayable if properties funded by it are sold to any institution other than a housing association.

## **INTEREST PAYABLE**

Interest is capitalised on borrowings to finance developments/redevelopments to the extent that it accrues in respect of the period of developments if it represents either:

- interest on borrowings specifically financing the development programme after deduction of interest on social housing grant (SHG) in advance; or
- interest on borrowings of the group as a whole after deduction of interest on SHG in advance to the extent that they can be deemed to be financing the development programme.

Interest is capitalised from the date of the site acquisition/commencement of redevelopment to the date of practical completion. Other interest payable is charged in the Consolidated Statement of Comprehensive Income.

## **PENSION SCHEME**

The TRUST operates a funded defined benefits related pension scheme. The assets of the scheme are held separately from those of the TRUST. Pension scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at the current rate of return on a high quality corporate bond of the equivalent term and currency to the liability.

Pension scheme assets are measured at fair market value at the balance sheet date. The pension scheme deficit is recognised in full on the Balance Sheet. Increases in the present value of the scheme liabilities expected to arise from employee service in the period are charged to operating surplus. The net interest income or expenditure calculated on the scheme assets and liabilities by reference to the discounted rate is credited or charged to the surplus for the year. Actuarial gains and losses are recognised in other comprehensive income.

The TRUST also operates a defined contribution scheme. The amount charged to the Statement of Comprehensive Income in respect of pension costs and other post-retirement benefits for the defined benefit scheme is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

## **ENDOWMENT FUNDS**

Endowment funds represent donations and legacies received where donors require that the capital must be preserved and the income must be spent on a particular purpose. Trustees may apply the income from endowment funds in line with such restricted purposes but the capital is permanent and must be held indefinitely.

## **RESTRICTED RESERVES**

Restricted reserves represent donations and legacies received where donors require that they must be spent on a particular purpose or where funds have been raised for a specific purpose.

## **DESIGNATED RESERVES**

Any sums which the Board members have designated for specific purposes in the future are treated as designated reserves. Transfers are made from the undesignated reserves account to the designated reserves account.

	2022 £	2021 £
<b>NOTE 1 - CHARITABLE INCOME</b>		
<b>GROUP</b>		
<b>Restricted</b>		
Income from fundraising activities	131,216	237,808
<b>Unrestricted</b>		
Gross income from events	299,974	79,985
Income from fundraising activities	576,643	400,359
Gifts in kind	185,029	223,971
<b>TOTAL CHARITABLE INCOME</b>	<b>1,192,862</b>	<b>942,123</b>

**NOTE 2 - COTTAGE HOMES - GROUP****a) Turnover, operating costs and operating surplus**

	TURNOVER		OPERATING COSTS		OPERATING SURPLUS	
	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £
Social housing lettings (2b)	5,750,173	5,443,204	4,179,213	3,711,058	1,570,930	1,732,146
Other social housing activities:						
- Supporting people	68,914	97,510	68,914	97,510	-	-
Non-social housing activities:						
- Letting	25,503	25,477	-	-	25,503	25,477
- Other	6,000	27,480	-	-	6,000	27,480
- Amortisation of SHG	25,600	25,600	-	-	25,600	25,600
	<b>5,876,190</b>	<b>5,619,271</b>	<b>4,248,127</b>	<b>3,808,568</b>	<b>1,628,033</b>	<b>1,810,703</b>

**The accommodation provided is as follows:**

	2022	2021
Total number of units:		
Owned	422	422
Under management	1	1
	<b>423</b>	<b>423</b>

**NOTE 2 - COTTAGE HOMES - GROUP****b) Income and Expenditure from social housing lettings**

	<b>SUPPORTED HOUSING</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>NET RENTAL INCOME</b>	<b>5,750,173</b>	<b>5,443,204</b>
Management	890,698	764,090
Services	2,222,487	1,974,381
Routine maintenance	188,991	135,610
Planned maintenance	63,128	198,369
Depreciation	565,497	524,129
Other costs	248,442	114,480
<b>TOTAL EXPENSES</b>	<b>4,179,243</b>	<b>3,711,058</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>1,570,930</b>	<b>1,732,146</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Analysis of social housing lettings:		
Rent receivable	2,342,623	2,080,597
Service Charges	3,407,550	3,362,607
<b>Social housing lettings</b>	<b>5,750,173</b>	<b>5,443,204</b>

**Rental income is stated net of voids as follows:**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Voids	174,825	372,355

The total losses for the year ended 30 April 2022 arising from the irrecoverable debts were £41,134 (2021: £25,577).



**NOTE 3 - TRADING INCOME**

	<b>2022</b>	<b>2021</b>
<b>GROUP</b>	<b>£</b>	<b>£</b>
<b>Unrestricted</b>		
Income from events	232,895	8,550
Income from Wellbeing Services	2,233,180	1,760,843
<b>TOTAL TRADING INCOME</b>	<b>2,466,075</b>	<b>1,769,393</b>

**NOTE 4 - OTHER INCOME**

	<b>2022</b>	<b>2021</b>
<b>GROUP</b>	<b>£</b>	<b>£</b>
Sundry Income	147,874	176,218
<b>TOTAL OTHER INCOME</b>	<b>147,874</b>	<b>176,218</b>

**NOTE 5 - EXPENDITURE ON RAISING FUNDS**

	<b>2022</b>	<b>2021</b>
<b>GROUP</b>	<b>£</b>	<b>£</b>
Direct costs of events	119,941	22,566
Employee costs	198,623	225,373
Gifts in kind	185,029	223,971
Support and other costs	417,630	326,193
<b>TOTAL EXPENDITURE ON RAISING FUNDS</b>	<b>921,223</b>	<b>798,103</b>

**NOTE 6 – WELLBEING SERVICES**

	<b>2022</b>	<b>2021</b>
<b>GROUP</b>	<b>£</b>	<b>£</b>
Counselling services	283,231	384,153
Financial assistance, bursaries and scholarships	487,964	959,083
Charitable services	442,842	273,669
Employee costs	1,124,436	795,355
Support costs	1,157,820	974,226
	<hr/>	<hr/>
<b>TOTAL WELLBEING SERVICES</b>	<b>3,496,293</b>	<b>3,386,486</b>
	<hr/> <hr/>	<hr/> <hr/>

**NOTE 7 - OPERATING SURPLUS**

	<b>2022</b>	<b>2021</b>
<b>GROUP</b>	<b>£</b>	<b>£</b>
<b>Operating surplus is stated after charging:</b>		
Auditor's remuneration – audit services	39,356	31,510
Auditor's remuneration – non-audit services	3,100	3,100
Trustees' expenses	609	468
Depreciation of owned assets	746,500	680,061
Amortisation of housing grant	(25,600)	(25,600)
Redundancy costs	7,240	13,234
	<hr/> <hr/>	<hr/> <hr/>

**NOTE 8 - INTEREST INCOME**

	<b>2022</b>	<b>2021</b>
<b>GROUP</b>	<b>£</b>	<b>£</b>
Interest on bank accounts	5,060	9,912
Interest on loan	1,250	2,500
Interest and dividends on investments	46,088	49,653
<b>TOTAL INTEREST INCOME</b>	<b>52,398</b>	<b>62,065</b>

**NOTE 9 - EMPLOYEES AND EMPLOYEE COSTS**

<b>GROUP</b>	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
<b>Average number of employees:</b>		
Supported Living	33	33
Charitable services	19	19
Central support and fundraising	23	25
<b>TOTAL EMPLOYEES</b>	<b>75</b>	<b>77</b>

The total number of staff included part time employees. The full time equivalent average number of employees was 75 (2021: 65).

	<b>2022</b>	<b>2021</b>
<b>Employee costs during the year:</b>	<b>£</b>	<b>£</b>
Wages and salaries	3,000,263	2,481,033
National Insurance contributions	299,900	226,626
Pension costs	185,562	160,420
<b>TOTAL EMPLOYEE COSTS</b>	<b>3,485,725</b>	<b>2,868,079</b>

**NOTE 10 - KEY MANAGEMENT PERSONNEL AND THEIR EMOLUMENTS****GROUP**

The key management personnel are defined as the members of the Board, the Chief Executive and the Executive team. The aggregate amount of emoluments paid to the Executive team was £781,973 (2021: £656,769). This figure includes aggregate pension contributions of £50,980 (2021: £43,791). Members of the Board received no emoluments during the year (2021: £nil).

During the year the Chief Executive received £258,666 (2021: £225,596) including benefits and pension contributions of £19,680 (2021: £16,736).

Remuneration banding, excluding pension and employer NI contributions, for all employees earning above £60,000:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
£60,001 to £70,000	3	2
£70,001 to £80,000	4	2
£80,001 to £90,000	1	1
£90,000 to £100,000	1	-
£110,001 to £120,000	1	-
£130,001 to £140,000	1	-
£180,000 to £190,000	-	-
£230,000 to £240,000	1	1
	<hr/>	<hr/>
	<b>12</b>	<b>6</b>
	<hr/>	<hr/>

**NOTE 11 - TAXATION****GROUP**

The company meets the definition of a charitable company for UK corporation tax purposes. Accordingly, it is potentially exempt from taxation in respect of income or capital gains received to the extent that such income or gains are applied exclusively to charitable purposes.

The subsidiary companies are subject to corporation tax in the same way as any commercial organisation.

**NOTE 12 - RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption in FRS102 from disclosing transactions with other members of the Retail Trust group.

There were no other related party transactions during the year.

**NOTE 13 - FIXED ASSETS - HOUSING PROPERTIES**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>GROUP AND PARENT</b>		
<b>COST</b>		
Opening as at 1 May 2021	40,056,138	39,234,616
Additions	463,661	821,522
<b>Closing as at 30 April 2022</b>	<b>40,519,799</b>	<b>40,056,138</b>
<b>DEPRECIATION</b>		
Opening as at 1 May 2021	(5,005,109)	(4,537,428)
Provided in the year	(502,878)	(467,681)
<b>Closing as at 30 April 2022</b>	<b>(5,507,987)</b>	<b>(5,005,109)</b>
<b>NET BOOK VALUE</b>		
<b>As at 30 April 2022</b>	<b>35,011,812</b>	<b>35,051,029</b>
As at 30 April 2021	35,051,029	34,697,188

**NOTE 14 - OTHER TANGIBLE FIXED ASSETS**

<b>GROUP</b>	<b>Fixtures &amp; Fittings £</b>	<b>Plant and Machinery £</b>	<b>Motor Vehicles £</b>	<b>Comp Equip &amp; Software £</b>	<b>Freehold Office Buildings £</b>	<b>Total £</b>
<b>COST</b>						
Opening at 1 May 2021	551,049	240,013	11,409	954,746	1,145,933	2,903,150
Additions	26,820	53,215	-	245,401	-	325,436
Closing at 30 April 2022	577,869	293,228	11,409	1,200,147	1,145,933	3,228,586
<b>DEPRECIATION</b>						
Opening at 1 May 2021	(178,983)	(199,728)	(11,405)	(612,786)	(167,856)	(1,170,758)
Provided during the year	(44,109)	(12,247)	-	(197,351)	(15,514)	(269,221)
Closing at 30 April 2022	(223,092)	(211,975)	(11,405)	(810,137)	(183,370)	(1,439,979)
<b>NET BOOK VALUE</b>						
<b>As at 30 April 2022</b>	<b>354,777</b>	<b>81,253</b>	<b>4</b>	<b>390,010</b>	<b>962,563</b>	<b>1,788,607</b>
As at 30 April 2021	372,066	40,285	4	341,960	978,077	1,732,392

<b>PARENT</b>	<b>Fixtures &amp; Fittings £</b>	<b>Plant and Machinery £</b>	<b>Motor Vehicles £</b>	<b>Comp Equip &amp; Software £</b>	<b>Freehold Office Buildings £</b>	<b>Total £</b>
<b>COST</b>						
Opening at 1 May 2021	551,049	240,013	11,409	766,266	1,145,933	2,714,670
Additions	26,820	53,215	-	245,401	-	325,436
Closing at 30 April 2022	577,869	293,228	11,409	1,011,667	1,145,933	3,040,106
<b>DEPRECIATION</b>						
Opening at 1 May 2021	(178,983)	(199,727)	(11,405)	(536,096)	(167,855)	(1,094,066)
Provided during the year	(44,109)	(12,247)	-	(149,697)	(15,514)	(221,567)
Closing at 30 April 2022	(223,092)	(211,974)	(11,405)	(685,793)	(183,369)	(1,315,633)
<b>NET BOOK VALUE</b>						
<b>As at 30 April 2022</b>	<b>354,777</b>	<b>81,254</b>	<b>4</b>	<b>325,874</b>	<b>962,563</b>	<b>1,724,473</b>
As at 30 April 2021	372,066	40,286	4	230,170	978,078	1,620,604

## NOTE 15 - INVESTMENTS

GROUP AND PARENT	Market Value		Cost	
	2022 £	2021 £	2022 £	2021 £
<b>Restricted</b>				
Listed investments	308,985	319,885	249,546	247,673
<b>Unrestricted</b>				
Listed investments	1,371,194	1,400,852	1,107,421	1,084,620
Unlisted investments and cash	390,238	386,453	390,237	386,453
	1,761,432	1,787,305	1,497,658	1,471,073
<b>TOTAL INVESTMENTS</b>	<b>2,070,417</b>	<b>2,107,190</b>	<b>1,747,204</b>	<b>1,718,746</b>

## Reconciliation of Market Value Movement:

	Unlisted £	Listed £	Cash £	Total £
As at 1 May 2021	318,750	1,720,737	67,703	2,107,190
Additions	-	214,388	(214,388)	-
Disposals	-	(205,649)	205,649	-
Gain / (loss)	-	(49,298)	887	(48,409)
Investment income received	-	-	32,067	32,067
Investment income withdrawn	-	-	(4,793)	(4,793)
Investment fee	-	-	(15,638)	(15,638)
<b>As at 30 April 2022</b>	<b>318,750</b>	<b>1,680,178</b>	<b>71,487</b>	<b>2,070,417</b>

**NOTE 16 - INVESTMENTS IN SUBSIDIARIES**

At 30 April 2022, the Group and Parent had interests in the following subsidiaries:

Subsidiaries	Nature of business	Type of shares held	Proportion held	Country of incorporation
Retail Trust Events Limited (RTE)	Conducts celebration events and other trading activities.	Ordinary	100%	England and Wales
Cottage Homes Contracts Limited (CHC)	Offers design and build contracting services to Retail Trust for its buildings.	Ordinary	100%	England and Wales
RT Wellbeing Services Limited (RTWS)	Provides wellbeing services to employees in the retail sector	Ordinary	100%	England and Wales

**PARENT****2022****2021****£****£****AT COST**

As at 1 May 2021

156

156

Additions / (disposals) in the year

-

-

**As at 30 April 2022****156****156**



**NOTE 16 - INVESTMENTS IN SUBSIDIARIES (continued)**

	CHC		RTE		RTWS	
	2022	2021	2022	2021	2022	2021
	£	£	£	£	£	£
<b>SUMMARY PROFIT &amp; LOSS ACCOUNT</b>						
Turnover	295,057	124,177	226,045	8,583	2,269,396	1,760,843
Cost of sales	(302,663)	(117,662)	(148,231)	(76,856)	(1,862,754)	(1,233,676)
Expenditure - shared costs	(23,662)	(21,465)	(74,506)	(1,742)	(399,590)	(339,685)
<b>Net profit</b>	<b>(31,268)</b>	<b>(14,950)</b>	<b>3,308</b>	<b>(70,015)</b>	<b>7,052</b>	<b>187,482</b>
<b>SUMMARY BALANCE SHEET</b>						
Fixed Assets	-	-	-	-	64,135	111,790
Debtors	35,503	59,533	259,784	48,476	548,981	550,219
Cash at bank	188,810	413,957	72,383	90,755	2,695,746	1,692,141
Creditors	(272,400)	(488,439)	(398,819)	(209,191)	(3,301,710)	(2,166,568)
<b>Net assets</b>	<b>(48,087)</b>	<b>(14,949)</b>	<b>(66,652)</b>	<b>(69,960)</b>	<b>7,152</b>	<b>187,582</b>
Retained earnings	(48,088)	(14,950)	(66,707)	(70,015)	7,052	187,482
Called up share capital	1	1	55	55	100	100
<b>Shareholder funds</b>	<b>(48,087)</b>	<b>(14,949)</b>	<b>(66,652)</b>	<b>(69,960)</b>	<b>7,152</b>	<b>187,582</b>

The net profits above will be distributed by means of gift aid to the parent charity.

**NOTE 17 - DEBTORS**

	2022	2021
GROUP	£	£
Rents receivable	77,011	157,427
Trade debtors	446,310	346,483
Other debtors	445,183	160,613
Accrued income	68,794	50,278
Prepayments	242,355	111,395
Voyager Alliance CU loan - Subordinated	100,000	100,000
<b>TOTAL DEBTORS</b>	<b>1,379,653</b>	<b>926,196</b>

	2022	2021
PARENT	£	£
Rents receivable	77,011	157,426
Trade debtors	72	5,588
Other debtors	445,183	160,613
Accrued income	68,794	48,611
Prepayments	96,372	100,496
Amounts receivable from subsidiary undertakings	2,378,722	1,786,661
Voyager Alliance CU loan - Subordinated	100,000	100,000
<b>TOTAL DEBTORS</b>	<b>3,166,154</b>	<b>2,359,395</b>

Bad debt provision of £41,134 (2021: £nil) relating to rental and trading income is netted above within rent receivable and trade debtors.  
The subordinated loan is recoverable in 2023.

**NOTE 18 - CASH AND CASH EQUIVALENTS**

	2022	2021
GROUP	£	£
Cash at bank and in hand	4,390,051	2,850,844
Short term deposits	1,000,000	1,500,000
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>5,390,051</b>	<b>4,350,844</b>

	2022	2021
PARENT	£	£
Cash at bank and in hand	1,433,112	653,992
Short term deposits	1,000,000	1,500,000
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>2,433,112</b>	<b>2,153,992</b>

## NOTE 19 - CREDITORS

GROUP	2022 £	2021 £
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
<b>Unrestricted</b>		
Tax and social security	86,576	64,714
Other creditors	139,653	190,550
Accruals	870,147	561,225
Deferred income	1,119,015	876,739
Long term borrowing	171,749	167,454
<b>Restricted</b>		
Social housing grant	25,600	25,600
<b>TOTAL AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2,412,740</b>	<b>1,886,282</b>
<b>AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		
<b>Unrestricted</b>		
Long term borrowing	4,600,835	4,800,044
<b>Restricted</b>		
Deferred Income - Grants	149,892	-
Social housing grant	2,302,776	2,328,376
<b>TOTAL AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	<b>7,053,503</b>	<b>7,128,420</b>
<b>PARENT</b>		
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
<b>Unrestricted</b>		
Tax and social security	86,576	64,714
Other creditors	22,884	274,649
Accruals	695,582	492,573
Deferred income	68,196	88,525
Long term borrowing	171,749	167,454
<b>Restricted</b>		
Social housing grant	25,600	25,600
<b>TOTAL AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>1,070,587</b>	<b>1,113,515</b>
<b>AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		
<b>Unrestricted</b>		
Long term borrowing	4,600,835	4,800,044
<b>Restricted</b>		
Deferred Income - Grants	149,892	-
Social housing grant	2,302,776	2,328,376
<b>TOTAL AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	<b>7,053,503</b>	<b>7,128,420</b>

A £5m development loan facility was taken out on 12 May 2017 for the Crookfur development and is secured over the freehold of the Crookfur estate. At year end, the balance of the development loan was £4.77m. Interest only was charged in the first 2 years whilst the development was taking place commencing July 2018. The capital is repayable over the following 23 years. Interest is payable at 1.75% over base rate. After 10 years of the 25-year loan term, a bullet repayment or re-finance agreement at prevailing market rates at this time will apply.

**NOTE 20 - PENSION PROVISIONS AND ARRANGEMENTS****GROUP AND PARENT**

The TRUST operates a closed retirement and death benefits scheme with two categories of historic membership. The first category, the final salary pension scheme, was closed to new entrants in 2008. The second category, the career average scheme (CARE), was closed to new entrants in March 2013. Both categories of the scheme closed to future accrual on 31 January 2014 and were replaced by a Group Personal Pension (GPP) which has a current value of £784,030. Currently, 90% of staff have contributions invested with the GPP, which is managed by Legal and General and the TRUST contributed £139,353 (2021: £128,085) to the scheme on behalf of staff.

The closed retirement and death benefits scheme is actuarially assessed every 3 years by qualified independent actuaries and the scheme's assets are held separately from those of the group in an independent Pension Trustee administered fund.

<b>The main assumptions used by the actuary are:</b>	<b>2022</b> %	<b>2021</b> %
Rate of increase in pensions in payment - main	3.75	3.30
Rate of increase in pensions in payment - CARE	2.40	2.25
Rate of increase in pensions in deferment - main	4.00	3.40
Rate of increase in pensions in deferment - CARE	2.50	2.50
Discount rate	3.20	1.90
Retail Price Index inflation	4.00	3.40
Transfer values assumed taken at retirement	20%	20%

<b>Life expectancies:</b>	<b>2022</b> %	<b>2021</b> %
65 at balance sheet date - Male S3PMA	115.0	115.0
66 at balance sheet date - Female S3PMA	125.0	125.0
65 in 20 years - Male CMI 2018	1.25	1.25
66 in 20 years - Female CMI 2018	1.25	1.25

**Fair value of the assets and liabilities of the scheme were:**

	<b>Value of Assets</b>	
	<b>2022</b> £	<b>2021</b> £
Equities	5,305,200	6,552,000
Bonds and gilts	3,713,640	4,723,000
Diversified growth fund	4,244,160	3,915,000
Cash	-	47,000
	<hr/>	<hr/>
Fair value of assets of the scheme	13,263,000	15,237,000
Present value of scheme liabilities	(14,304,000)	(15,911,000)
	<hr/>	<hr/>
	<b>(1,041,000)</b>	<b>(674,000)</b>
	<hr/>	<hr/>

At 30 April 2022, the scheme owed the Charity £4,417 (2021: £4,417) in respect of overpaid contributions and tax-free payments made by the TRUST on behalf of the scheme.

**NOTE 20 - PENSION PROVISIONS AND ARRANGEMENTS (continued)**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Change in scheme liabilities</b>		
Scheme liabilities at 1 May 2021	(15,911,000)	(15,436,000)
Interest cost	(296,000)	(256,000)
Actuarial gain/(loss)	1,228,000	(1,024,000)
Benefits paid directly by the employer	675,000	805,000
	<hr/>	<hr/>
<b>Scheme liabilities at 30 April 2022</b>	<b>(14,304,000)</b>	<b>(15,911,000)</b>
	<hr/>	<hr/>
<b>Change in scheme assets:</b>		
Fair value of assets at 1 May 2021	15,237,000	13,063,000
Actuarial (loss)/gain on assets	(1,503,000)	2,849,000
Benefit paid	(675,000)	(805,000)
Interest income	282,000	215,000
Administration expenses	(78,000)	(85,000)
	<hr/>	<hr/>
<b>Fair value of assets at 30 April 2022</b>	<b>13,263,000</b>	<b>15,237,000</b>
	<hr/>	<hr/>
<b>Pension liability recognised at 30 April 2022</b>	<b>(1,041,000)</b>	<b>(674,000)</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Analysis of the amounts recognised in net surplus:</b>		
Administrative expenses	78,000	85,000
Net interest	14,000	41,000
	<hr/>	<hr/>
<b>Amount charges to net surplus</b>	<b>92,000</b>	<b>126,000</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Analysis of the amounts recognised in other comprehensive income:</b>		
Actuarial gains/(losses) on liabilities	1,228,000	(1,024,000)
Return on assets excluding amount included in net interest	(1,503,000)	(2,849,000)
	<hr/>	<hr/>
<b>Amount recognised in other comprehensive income</b>	<b>(275,000)</b>	<b>1,825,000</b>
	<hr/> <hr/>	<hr/> <hr/>

The last actuarial valuation of the Scheme was performed by the actuary for the Trustees as at 30 June 2019, which reported a surplus of £1,096,000. As there was a surplus in the Scheme the Employer has not needed to pay any contributions into the scheme over the year to 30 April 2022 (2021: nil). In the financial year ending 30 April 2022, the employer's contributions were £nil and the triennial valuation to 30 June 2022 will determine if a contribution is required in the period ending April 2023.

# RETAIL TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2022

### NOTE 21 - UNRESTRICTED RESERVES

GROUP AND PARENT	As at 01-May 2021 £	Surplus / (Deficit) for the year £	Gains / Losses £	Transfers between funds £	As at 30-Apr 2022 £
<b>Designated Reserves</b>					
Crookfur development	144,095	-	-	-	144,095
Wellbeing and Financial Aid				348,000	348,000
<b>Other unrestricted reserves</b>					
Pension scheme reserve	(674,000)	-	(275,000)	(92,000)	(1,041,000)
Property reserve	28,707,632	-	-	165,785	28,873,417
Retained earnings	5,779,554	1,188,011	(39,506)	(421,785)	6,506,274
<b>Parent total reserves</b>	<b>33,957,281</b>	<b>1,188,011</b>	<b>(314,506)</b>	<b>-</b>	<b>34,830,786</b>
Retained earnings of subsidiaries	102,518	(210,255)	-	-	(107,737)
<b>Group total reserves</b>	<b>34,059,799</b>	<b>977,756</b>	<b>(314,506)</b>	<b>-</b>	<b>34,723,049</b>

	As at 01-May 2020 £	Surplus / (Deficit) for the year £	Gains / Losses £	Transfers between funds £	As at 30-Apr 2021 £
<b>Designated Reserves</b>					
Crookfur development	144,095	-	-	-	144,095
Wellbeing and Financial Aid	-	-	-	348,000	348,000
<b>Other unrestricted reserves</b>					
Pension scheme reserve	(2,373,000)	-	1,825,000	(126,000)	(674,000)
Property reserve	30,712,633	-	-	(2,005,001)	28,707,632
Retained earnings	2,870,597	545,459	232,497	1,783,001	5,431,554
<b>Parent total reserves</b>	<b>31,354,325</b>	<b>545,459</b>	<b>2,057,497</b>	<b>-</b>	<b>33,957,281</b>
Retained earnings of subsidiaries	198,064	(95,546)	-	-	102,518
<b>Group total reserves</b>	<b>31,552,389</b>	<b>449,913</b>	<b>2,057,497</b>	<b>-</b>	<b>34,059,799</b>

**NOTE 21 - UNRESTRICTED RESERVES (continued)****Property reserve**

The property reserve represents net book value of the freehold housing and office properties adjusted by the social housing grant and long term borrowing associated with the properties and is an amount that is not distributable.

**Pension reserve**

The pension reserve represents the balance in the defined benefit pension scheme.

**Designated reserves**

The designated reserves reflect the balances designated for the Crookfur development project, a ringfenced £100k designated for financial aid in 2022/23 and legacy donations of £248k designated for release in 2022/23 towards Wellbeing activities.

**Transfers between funds**

Crookfur development represents pre-development costs utilised from amounts previously designated. The Trust plans to undertake a review of the asset optimisation plans at Glasgow during the coming year to determine whether to undesignated these funds, given the timeline for the commencement of further works at this estate.

Pension Scheme represents costs of the scheme.

**NOTE 22 - RESTRICTED RESERVES**

<b>GROUP AND PARENT</b>	<b>Multi-sensory Stimulation £</b>	<b>Other Trust Funds £</b>	<b>Total £</b>
As at 1 May 2020	10,247	24,000	34,247
Income	-	-	-
Expenditure	-	-	-
<b>As at 1 May 2021</b>	<b>10,247</b>	<b>24,000</b>	<b>34,247</b>
Incoming resources	-	-	-
Outgoing resources	-	-	-
<b>As at 30 April 2022</b>	<b>10,247</b>	<b>24,000</b>	<b>34,247</b>

The "Multi-sensory Stimulation" reserve is to provide specialist rooms of relaxation for dementia residents on the Cottage Homes estates.

The "Other Trust Funds" have been provided to fund specific equipment, including IT equipment, mobility vehicles and outdoor furniture.

These funds have not been utilised during the year. It is anticipated that we will make use of some of the "Other Trust Funds" during the coming year. The "Multi-sensory Stimulation" fund requires some review to ensure we make the most practical use of these funds to suit our resident's needs and as such, this is likely to remain unused through 2022/23 also.

**NOTE 23 - ENDOWMENT FUNDS**

<b>GROUP AND PARENT</b>	<b>John Goodenday Cottage Homes Trust £</b>	<b>John Goodenday Endowment Fund £</b>	<b>John Walsh Pension Fund £</b>	<b>Total £</b>
As at 1 May 2020	108,027	176,469	47,316	331,813
Increase in the market value of investments	17,285	28,235	7,571	53,091
<b>As at 1 May 2021</b>	<b>125,312</b>	<b>204,704</b>	<b>54,887</b>	<b>384,903</b>
Increase in the market value of investments	(2,898)	(4,735)	(1,270)	(8,903)
<b>As at 30 April 2022</b>	<b>122,414</b>	<b>199,969</b>	<b>53,617</b>	<b>376,000</b>

The restricted reserves include three endowment funds. The investment income derived from the funds is for the use of Retail Trust in its ongoing operations; however, capital is not usable.

**NOTE 24 - OPERATING LEASE COMMITMENTS**

At 30 April 2022 the TRUST had no annual commitments under operating leases.

	<b>2022 £</b>	<b>2021 £</b>
Within one year	-	4,320
One to five years	-	-
	<b>-</b>	<b>4,320</b>

**NOTE 25 - CAPITAL COMMITMENTS**

Amounts contracted for in the group but not provided for in the financial statements as at 30 April 2022 is £nil (2021: £nil).

**NOTE 26 - POST BALANCE SHEET EVENTS**

There were no post balance sheet events subsequent to year end.