

THE WHITELEY HOMES TRUST

Report and Financial Statements

Year Ended

31 December 2020

Company Registration No. 04957706
(England and Wales)

Charity Registration No. 1103056
(England and Wales)

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

Contents

1.0 INTRODUCTION.....	3
1.1 Chairman.....	3
1.2 Chief Executive Officer.....	4
2.0 THE PURPOSE OF THE CHARITY	6
2.1 Objects.....	6
2.2 Principal activities	6
2.3 Who the charity helps.....	6
2.4 How the charity helps	6
2.5 Where the charity operates.....	7
3.0 OUR STRATEGY.....	8
4.0 EXTERNAL RELATIONS.....	8
5.0 MEASURE OF SUCCESS.....	9
6.0 CHALLENGES	12
7.0 COMMUNICATIONS AND ENGAGEMENT.....	13
8.0 STAFF	15
9.0 COMMUNITY.....	17
10.0 PUBLIC BENEFIT	18
11.0 SUBSIDIES.....	19
12.0 CONCLUSION	19
13.0 FINANCIAL REVIEW	20
13.1 Income: How we raised our money	20
13.2 Expenditure: How we spent our money	20
13.3 Exceptional items.....	21
13.4 Reserves policy.....	21
14.0 PRINCIPAL RISKS AND UNCERTAINTIES	21
14.1 Internal controls assurance.....	21
14.2 General	21
14.3 Income risk.....	22
14.4 Regulation and legislation risk	22
14.5 Development risk.....	22
14.6 Liquidity risk.....	22
14.7 Cash flow risk	22
14.8 Digital, data and cyber risks	22
14.9 Investment, policy and powers	23
14.10 Fundraising approach and performance.....	23
14.11 Covid-19 pandemic risk.....	23
15.0 GOVERNANCE	23
15.1 Organisational structure and subsidiaries.....	23
15.2 Management, decision making and delegation	24
15.3 Remuneration	25
16.0 LEGAL AND ADMINISTRATIVE DETAILS	25

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

16.1 Status and administration	25
16.2 Professional advisors	26
16.3 Statement by the Chair of Trustees	27
17.0 TRUSTEES' RESPONSIBILITIES	28
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WHITELEY HOMES TRUST	29
FINANCIAL STATEMENTS	32

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

1.0 INTRODUCTION

1.1 Chairman

We continued our adopted recovery plan through 2020 against the ever-present Covid-19 pandemic.

Our staff, led by Rachel Hill, have been brilliant. There have been no deaths in the village as a result of the infection being acquired in the village and, through excellent protocols, nursing and care, we have deservedly gained a reputation for how we have managed the pandemic.

The commercial effects of the pandemic though have been dramatic. This is not just a local phenomenon, but one that has affected care providers nationally, with admissions significantly down, giving voids and loss of income against our recovery plan.

Occupancy in our general-needs housing is very good with a strong waiting list, but voids in Huntley House are significant, and a review is underway to get this back on track.

The stock condition survey has been completed, and we now have a 30-year plan against which our planned and responsive maintenance programmes can be commissioned.

In pursuit of our charitable objects, planning consent is being sought to convert existing buildings with other previous uses to new almshouses, with these being funded from existing restricted reserves. We would hope these to come into use in 2022/3.

As part of our recovery plan, a redundancy programme was implemented, and new shift patterns and staff changes were introduced to streamline the cost of care.

The move to volunteer-led services has been delayed by the pandemic but is very much on the agenda to help deliver the wider community services.

The financial loss for the year has been as forecast as part of our five-year plan and with the transfer of the now-operating asset of the Eliza Palmer Hub from the subsidiary development company to the parent charity's balance sheet, the appropriate write offs for previously held work in progress and depreciation have been taken.

Against this background we are now reassessing measures to bring year two of the five-year plan back on track and, with the appointment of our strategic planning partners and the support of our key stakeholders, we are seeking to continue to deliver more fit-for-purpose homes for older people who do not have the means to support themselves.

Finally, I would like to thank all our staff and trustees for their continuing support.

Rodney Bennion

Rod Bennion OBE

Chairman

The Whiteley Homes Trust

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

1.2 Chief Executive Officer

I imagine every chief executive in the UK will be introducing their 2020 annual report in much the same way this year, following one of the most difficult periods in our country's history. The Covid-19 pandemic presented a set of circumstances which, in combination, none of our team had ever faced before, and it tested everyone's resources, ingenuity, commitment and courage to the limit.

In April, I was appointed CEO after seven months in the role as Acting CEO, and earlier in the year the Trust had also appointed to the new post of Director of Property, Estates and Housing, so it was an exceptionally challenging start. However, it is often at such times when teams pull together as never before and people perform at their best, and so despite spending most of 2020 battling a pandemic, the Trust still achieved a significant amount.

One of our biggest successes this year, and the one I am most proud of, was keeping our residents and staff safe. I believe the swift action we took to ensure full and regular communication with our staff and residents, the introduction of stringent infection control measures ahead of Government guidelines, and the early introduction of regular testing helped save lives, laying the foundation for the exceptionally low infection rates we have experienced since.

Our actions were applauded by the CQC during their visits in August and November, who praised our excellent management of Covid and asked us to share our learning and approach with other providers.

To support the housebound and enable residents to stay in our community, in the early months of the pandemic we set up a Community Taskforce supported by staff, volunteers and Trustees. A new grocery, meals on wheels and prescription delivery service was launched in just one week, which was a huge achievement.

We are grateful to our care home residents and their families for their patience and support through what has been an exceptionally distressing time of separation. Whilst face-to-face visiting was not possible for many months, once restrictions lifted, we were proactive in purchasing Lateral Flow Tests before they were available from the government. This enabled relatives to visit as soon as possible and led to the Trust being featured positively in the Daily Mail.

With no social activities, and our clubs and facilities closed for many months, we were acutely aware of the potential impact of long-term isolation on our residents' mental health and wellbeing. Staff worked hard to support and engage residents, and we were also grateful for the efforts of so many villagers who assisted their friends and neighbours with countless acts of generosity and kindness.

In April, we launched our Never Alone Appeal which helped us raise much-needed funds and secure vital donations of PPE which, at this point, we had been unable to get through the government. In addition, donations of video devices enabled us to keep residents connected to their loved ones. We were overwhelmed by the response from so many local people and schools and even from our own villagers and their families, which all made such a difference – thank you to you all.

Despite the restrictions, we engaged with residents to try and mark major events as creatively as possible, such as the doorstep VE Day 75th anniversary celebrations in May, when we also had generous donations of a meal and a cream tea for every villager. In September, although we could not hold our traditional

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

Founder's Day service and Village Cup presentations, staff created a wonderful event which we videoed and shared with every villager.

At Christmas, with newly imposed lockdown restrictions, we decided to create another video for staff and residents, and were delighted when our Patron, HRH The Prince of Wales, agreed to record a message of support for us to include in it. This helped us end such a difficult year on a huge high, as well as securing some positive and very welcome press coverage.

During the year we achieved some important successes with our internal communications. We streamlined production of our village Bulletin to ensure we reached every resident each week with news from the Trust and vital Covid updates, and we significantly grew our communications by email. In December, our resident survey revealed that over 80% of respondents felt well informed, safe and supported by the Trust.

In regard to our estate, and despite the financial pressures, we began a vital programme of property repairs and heating improvements in many of our cottages. We also commissioned a stock condition survey which will help us plan and budget better for essential maintenance in the years to come.

One of our most important priorities at the start of the year was to secure the Trust's finances and ensure its long-term sustainability. Covid expenditure has had a huge impact on the plans we agreed at the end of 2019, coupled with a major loss of income from cancelled events and venue hire. As such the Trust had to make some difficult decisions to reduce its costs, and there were some redundancies, but this, coupled with increased fundraising and staff efforts to help limit expenditure, meant we ended the year in a better position than expected. Nevertheless, the challenges continue in 2021.

In conclusion, I could not be prouder of how everyone has pulled together to protect and support our residents and each other and have kept our services going this year. In contrast to the months of terrible news from the care sector, and the difficulties we have faced, overall Whiteley has been a success story. It is truly an amazing achievement that everyone at the Trust should take pride in. We can end this terrible year with hope and look forward to a positive future for our charity and beneficiaries.



Rachel Hill

Chief Executive Officer

The Whiteley Homes Trust

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

The annual report includes the Strategic Report in accordance with Companies Act 2006. Sections 2.0 to 14.0 comprise the Strategic Report.

2.0 THE PURPOSE OF THE CHARITY

2.1 Objects

Our founder, William Whiteley, bequeathed £1 million to purchase land and erect buildings, "...to be occupied as homes for aged poor persons, preference being given to persons or the wives of persons who have been engaged in in commercial or agricultural pursuits". The Whiteley Homes Trust charity was founded in 1907 and began building Whiteley Village at Walton-on-Thames in Surrey in 1914.

In 2004, our Memorandum and Articles of Association were amended to include the objects of providing, "... support services, or facilities to facilitate independent living by older people living within Whiteley Village or in the surrounding area, as the Trustees shall in their absolute discretion determine".

The Trust is committed to delivering the objects and guiding principles of the charity, whilst adapting and improving how we operate to ensure a sustainable future for our village and everyone who lives and works here.

Our objects are to provide homes for the aged poor, and William Whiteley specified that preference should be given to those engaged in commercial or agricultural pursuits, but applications are open to all who qualify following a financial review of income.

2.2 Principal activities

The Trust believes that everyone has the right to live well in a good home as they age, regardless of their financial means. We support the health and wellbeing of around 400 older people who are unable to buy or rent their own home on the open market, and provide 25% of the specialist housing for older people in the borough of Elmbridge.

2.3 Who the charity helps

By the definition of our founder's will, the beneficiaries of our charity are women over 60 and men over 65 of limited financial means – this is assessed on application.

2.4 How the charity helps

The Whiteley Homes Trust charity owns and manages Whiteley Village. On its 225-acre estate, the Trust provides various accommodation for its beneficiaries as well as retail and extensive recreational facilities and a substantial amount of woodland and green space. The charity also provides residents with health and social care if required and various support and community services.

- **Accommodation:** For those able to live independently, our charity provides 252 almshouse cottages for single people and couples. We also offer Huntley House, an extra care facility with 51 flats. Some residents require care support which is mostly provided by our staff. The majority of these residents are local authority funded. Whiteley also features two care homes: a residential care home (Ingram

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

House) with 27 bedrooms mainly intended for privately-funded residents and a nursing home (Eliza Palmer Hub) with 30 beds for both beneficiaries and self-funders. Income contributes to the community and care provision across the village for our beneficiaries.

- **Recreational and retail facilities:** The Trust provides a village shop, supported by volunteers, which also contains a Post Office. There is also a charity shop selling clothes and furniture which is run by resident volunteers. The village features the Lantern Café, a clubhouse with bar, restaurant and conservatory, a village hall, church, therapy pool, activity centre and allotments, as well as a golf course – all of which are subsidised and available for residents to use. These facilities are also open to the public and some, such as the village hall and pool, can be hired (provision of venue only) for private use. For the enjoyment of our residents, the Trust also maintains the substantial estate comprised of extensive woodland, shrubberies, green spaces, two lakes and other recreational facilities.
- **Community, Health and Wellbeing:** Through its Care at Home Team, the Trust enables residents to live independently at home for as long as possible. We also provide numerous community support services such as pastoral care, support workers, and subsidised physiotherapy from Hobbs Rehabilitation. Our charity supports the plethora of resident clubs and societies, providing venues for meetings and events. The Trust assists in the maintenance of the greens for the residents' golf club, putting club and bowling club, for example. We have a village mini-bus which takes residents to various shops and garden centres regularly, and further afield for daytrips.
- **Income** to support these wider services comes from external lettings to children's nurseries and sports clubs but this is insufficient to fund all these activities without wider fundraising and more volunteer support.
- **Our People:** The Trust has approximately 170 staff. Our Housing and Support Team oversee all new applications and provide housing associated support as required to current residents, ensuring they are claiming the correct level of benefits. The Community Services Team support engagement with residents and the social life of the village – supporting its various clubs and societies. It oversees the charity's volunteer programme, coming from residents and from the wider community, and is also responsible for the provision of pastoral care and the management of St Mark's, our village church.

The Care Team provide nursing and residential care in our care facilities and the Care at Home Team support those living independently. The estate is managed by our Property and Estates Team who maintain and care for our numerous listed buildings and extensive green spaces and woodland. These teams are all supported by our Human Resources, Learning and Development, Finance, IT, Marketing, Communications, Administration and Reception Teams. In addition to this, we have over 200 volunteers who support our residents and village services.

2.5 Where the charity operates

Our charity is based in Walton-on-Thames, Surrey, but takes beneficiaries from all over the UK.

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

3.0 OUR STRATEGY

The overarching strategy continues to be to utilise all our assets within the estate to provide as many homes as possible for the elderly poor, whilst also enabling them to have access to health and social care. Our key priorities for 2020 focussed around four key themes:

Community: To engage with our residents and stakeholders more closely, consulting and involving them whenever it is appropriate to do so.

Care: To ensure we fully deliver our care improvement plan, ahead of our next CQC inspection.

Finances: To ensure that our budget and financial processes enable us to ensure the long-term sustainability of the village.

Property: To have a Stock Condition Survey carried out to inform our priorities and decisions in relation to maintenance work across the village.

Early in 2020, the UK was hit by the Covid-19 virus in what would become a global pandemic lasting for the rest of the year and now into 2021. This health emergency has posed some of the biggest challenges to our plans, services and finances that we have ever faced. In spite of this, and although certain projects and plans had to be postponed, much was achieved in 2020 with exceptional support and cooperation from our staff, volunteers and residents.

We intend to continue to review all our supporting activities over the next few years. Our aim is to build a financially sustainable model that supports our residents and enables them to have choices about their own care and support needs whilst simultaneously providing as many homes for the elderly poor in the future as possible. The increasing cost of health and social care, coupled with diminishing resources through public-funding means we will need to be creative in how we achieve this – and ever more so now, working in close collaboration with all our stakeholders, but especially those in our local authorities and in the NHS.

The Eliza Palmer Hub provides care for self-funders, who bring much needed income into the village, as well as being an option for existing residents who are no longer able to remain in their almshouses due to deteriorating health.

We continue to strive to support independent living for our residents for as long as possible. The age and Listed status of our almshouses poses some challenges in this respect, and the Stock Condition Survey undertaken this year is a vital step in helping ensure we can plan our maintenance and repairs more effectively in future and continue to provide quality homes for beneficiaries now and in the future.

4.0 EXTERNAL RELATIONS

In 2020, we planned to build on the work accomplished in 2019 to restore and develop relationships with our external stakeholders, most notably our local authority partners Elmbridge Borough Council and Surrey County Council and our local NHS such as Surrey Heartlands CCG (North Surrey Clinical

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

Commissioning Group). These important relationships will help ensure The Whiteley Homes Trust can be a part of resolving the national and local housing crisis.

The impact of Covid-19 meant we were not able to proceed with planned stakeholder engagement events on site, but conversations continue with our partners about how we can work together to support the housing and care needs of our local community, with sensitivities to the external challenges we all face. This will be especially important in regard to the current and longer-term impact of Covid-19 on poverty levels amongst older people and the resulting demand for housing and social care.

We are talking to a number of partners in regard to the future of our former nursing home, Whiteley House, which remains closed. We are currently exploring various options whilst we seek the funding for the refurbishment and conversion.

We were delighted to host Elmbridge Mayor, Cllr Mrs Mary Sheldon and her consort, together with two of our other very supportive local councillors - Cllr John O'Reilly and Cllr Charu Sood, who kindly visited the village to judge our residents' Christmas window competition. Cllrs Sheldon and Sood also personally donated money for additional prizes, and despite all the necessary Covid-19 restrictions it was a very special evening and a welcome boost for everyone in the run up to Christmas.

The Trust continues to work closely with local health providers, such as Surrey Heartlands CCG, on solutions for a more joined-up approach to health and social care for our older population. Although some of our joint projects were delayed by Covid, we have had some success in improving understanding about the unique needs of Whiteley Village, given the number of vulnerable people we have in one place. For example, we were delighted to be able to organise Flu vaccination clinics on site for both residents and staff in the autumn and, following discussions which began in November 2020, we held two very successful Covid-19 vaccination clinics on site in December 2020 and January 2021, which ensured almost all staff, care home residents and eligible village residents (those aged over 70 years) had their critical first dose of vaccine.

5.0 MEASURE OF SUCCESS

CEO Confirmed: In April 2020, Rachel Hill was appointed Chief Executive Officer of The Whiteley Homes Trust following an external recruitment process. Rachel joined the Trust in 2018 as Director of Care and Community and in October 2019 took on the role of Acting Chief Executive Officer.

Care and Covid-19 Safety: One of our most significant successes in 2020 was keeping residents and staff safe from Covid-19 across the whole village and not just in our care services. Strict infection control processes were put in place before the national lockdown in March, including the use of Personal Protective Equipment (PPE) and temperature checks for all those entering our care facilities. Routine weekly testing was introduced for all staff in April.

To date, we still have one of the lowest rates of Covid-19 infection of any care provider locally, but this success belongs to everyone, not just the care teams, and so we are grateful to staff, residents and their families for following the Government's rules and supporting our infection control policies.

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

The plan for our care services was to see a positive CQC inspection by the end of the year. In August and again in November, the CQC undertook reviews of the quality of our infection control and management of Covid-19. Both of these inspections resulted in excellent reports with Whiteley gaining the highest rating possible for this type of review, and the Trust was asked to share its learning and best practice with other providers.

We now await the CQC's full reinspection which will hopefully move us from a 'Requires Improvement' rating to 'Good' in all areas, although at the present time only emergency reviews (other than infection control related ones) are being held, so this inspection remains delayed with no specified time frame.

One of biggest challenges during the pandemic was supporting the wellbeing of those we care for during the many months of separation from their families. In February, we appointed a new Activity Coordinator for the Eliza Palmer Hub, and another for Ingram House in November. Between them they have transformed the activities and entertainment for our residents and crucially led on the use of Portals and iPads in helping residents keep connected to friends and family while they were unable to meet in person. Feedback from residents and relatives was, and continues to be, extremely positive. We are grateful to NHSX and other donors for the receipt of Facebook Portals and iPads which have been put to this use.

Community: Although the pandemic placed an incredible strain on everyone living and working at Whiteley, it also saw staff, volunteers and residents working together as never before. This incredible community spirit and cooperation was undoubtedly one of our most enduring successes of 2020 and is something we intend to build on in 2021.

During the three lockdowns, community activities had to be stopped and other than the village shop and Post Office all our community facilities were also closed. So, preventing social isolation and helping keep our residents active but safe was a major concern. Following the introduction of the first lockdown, the 'Community Taskforce' was launched, supported by many staff and existing volunteers who had been repurposed from their normal roles which they could no longer do due to the pandemic, together with other members of the public who kindly gave their time after being furloughed.

In just one week a new grocery-ordering and delivery service was set up from the village shop, and the clubhouse team organised a meals-on-wheels service to ensure every resident who needed one had a hot meal every day. Many helped staff our village shop, replacing shielding resident volunteers. Others supported our new prescription-collection and delivery service, which saved villagers going out to the chemist. About 70 volunteers contributed to our Taskforce, including our Trustees and local councillors, who together worked over 2,500 hours from March to November, helping support vital services throughout the pandemic – and they continue to do so in 2021.

Residents also played their part in the Community Taskforce, showing amazing resilience throughout lockdown and extraordinary kindness towards others. The Whiteley sewing group produced over 2,000 face masks for staff, other residents and the NHS, and our village church, St Mark's, made sure no-one was forgotten on Mother's Day – donating a beautiful pot plant to every cottage. Others cooked extra meals and did gardening for their fellow residents, supported the housebound with regular friendly phone calls and made sure books from the village library reached those in our care homes.

At the end of September, Covid restrictions meant we were unable to hold our traditional Founder's Day Service, marking William's Whiteley's birthday. So, with a huge effort and creativity from members of

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

staff, Trustees and residents, we produced a video of the service which also included the Founder's Day Awards, recognising those residents who contribute most to our community. A link to the video was emailed to residents and stakeholders, promoted on our social media and shown in our care homes and via iPads for those without email in the village. It was a great success and very well received by everyone, generating over 900 views on YouTube.

Given the success of the Founder's Day video, at the end of the year, with so many Christmas activities cancelled, the Trust decided to produce another video celebrating our community and its resilience during the pandemic. We were delighted and grateful when our Patron, HRH The Prince of Wales, agreed to send us a message of support for inclusion in the video.

Our chairman, CEO and other staff and residents took part, and we were also very grateful for the contributions from stakeholders and partners including Rob Moran, the Chief Executive of Elmbridge Borough Council, and our tenant nursery schools. As well as being a celebration of Whiteley, it was also a huge morale boost for everyone and went on to generate some significant national and local media coverage for our charity and its work (see Communications and Engagement).

Donations and fundraising: The challenges of the pandemic did at least provide the Trust with a platform to re-establish our fundraising activities and launch new appeals for donations, both financial and in-kind. In April, we launched the Never Alone Appeal followed in early December by the Never Alone at Christmas Appeal, which together raised almost £6,500 by the end of 2020. In October, we also established our charity on Amazon Smile and Easy Fundraiser, new initiatives which are enabling our supporters to raise money for us through online shopping.

These appeals very successfully brought us into contact with a whole new cohort of supporters, which we hope to nurture and grow in the coming year. The Trust received some incredibly generous donations from our community, and although it is not possible to mention them all here, these included dozens of visors made by local students, hundreds of face masks and a large number of electronic devices to help keep our residents connected with their families via video calls. Kingsgate Church in Kingston donated over 2,500 meals during the pandemic, and Verisk, a local company who often volunteer for us, instead donated care packages to residents in one of our care homes.

On VE Day, meals were donated for every resident from the Caring Foundation and cream teas from On Air Dining. At Christmas, Hoe Valley school students wrote dozens of personal letters to our care home residents and together with Notre Dame school, also donated hundreds of Christmas gifts which were distributed to our most vulnerable residents across the village and in our care homes.

The Trust appreciates all those that have given their time or supported us with gifts or financial donations. It made, and continues to make, all the difference to our charity and those we house and support.

Property and Estates: To fulfil the vision of our founder, the Board agreed the Trust must first and foremost be a housing provider for older people in need and maximise the income we receive from our assets. This is now central to our strategy going forward and there were some key appointments in this area during the year equipping the organisation with the expertise and professionalism it required.

Appointments included the new roles of Director of Property, Estates and Housing, and Head of Housing and Support (see more in Staff, Section 8).

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

The appointment of a new Head of Housing and Support formally brought the village support workers into the Housing department, creating a dedicated Housing and Support Team. One of the team's first actions was to review the waiting list for our cottages and Huntley House extra-care facility. This significantly improved our admissions process, helping turn void properties around much more quickly and reducing losses. In addition, our admissions criteria were formally reviewed and approved by the Trustees. In 2020, a Stock Condition Survey was initiated by the Property Team to assess the condition of all our buildings and help us develop a properly financed plan for tackling the backlog of maintenance and repairs over the next twenty years. The draft survey report was completed at the end of the year and was finalised by Spring 2021.

Despite the challenges of Covid-19, in 2020 we began fitting new Logisor infrared heating for those almshouses not on the village district heating system, which has significantly helped reduce residents' heating bills. Although this project was delayed because of the pandemic, it was completed in 2021.

Other major works included the external decoration and window repairs of Huntley House and a large amount of essential tree work which is both labour and cost intensive but a legal requirement under health and safety legislation. We also finally completed the renovation of the original village hall floor after several attempts. The Trust is grateful to the Property Team Leader and the Vice Chair of the Whiteley Village Representatives' Committee (WVRC) for their perseverance with this project, and also to the other members of the WVRC and members of the Whiteley Village Association (WVA) for their patience whilst the issues with the floor were resolved, and who kindly contributed to half of the cost of renovation.

Our Property and Estates Team have also retendered several of our contracts to market test them and improve performance. A lot of work went into these tenders, which included the servicing of the gas boilers, electrical safety testing, water management, gutter clearance and cleaning contracts. The Trust also acknowledges the hard work and support from the members of the Estates Team who do so much to maintain the woods and green spaces in the village.

6.0 CHALLENGES

Alongside every other UK organisation, business and charity, the Trust faced unprecedented pressures and financial difficulties in 2020. Expenditure was always expected to be high to ensure we could start some of the long-overdue property maintenance and repair works in the village. Our pre-existing financial problems were further compounded however by the pandemic, which forced us to close many of our income-generating services and cancel events at a time of significantly increased costs.

Our top priority at the start of the year was to ensure the long-term sustainability of the Trust, and the Executive developed a three-year plan which was approved by the Board in June. Obviously at that time no-one could have foreseen the long-term impact Covid would have, and so this plan will be reviewed in 2021.

The cost of meeting our responsibilities to keep staff and residents safe and ensure compliance with Government regulations has been enormous. Providing vital Personal Protective Equipment (PPE) to staff,

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

residents, volunteers and visitors in 2020 incurred huge costs for the Trust, in spite of the very generous donations of PPE from our community and other donors.

In addition, we spent large amounts on other protective equipment such as Perspex screens in various areas and for visiting, extra cleaning costs for our care homes, staff areas and other facilities plus sanitising wipes, gel, spray and dispensers. Although the NHS has supplied the bulk of our testing equipment, the Trust also spent £7,000 on ordering Lateral Flow Tests to help expedite safe visiting in our care homes, when this became permitted and NHS test kits were not yet available.

To control costs, regrettably the Trust had to restructure and make some employee redundancies (See Section 8: People) and the Leadership Team were very grateful for the support of staff in helping further reduce costs and expenditure where possible. At the operational level we were relieved to end 2020 in a slightly better financial position than expected – a collective achievement for all those working in the organisation, given the circumstances.

It is a great disappointment that we have been unable to find an acceptable and affordable plan for the future of our former nursing home, Whiteley House, which remains closed. We continue to explore options for its redevelopment and sources of funding for this work.

The pandemic has posed huge challenges for our staff and villagers in regard to their mental health and wellbeing. For residents, after so many weeks of isolation from families and friends, especially for those who were housebound, this issue was a major concern. The Housing Support Team, especially our Support Workers, played a crucial role in keeping in contact with those who were most vulnerable. Pastoral care and support was offered by the Community Services Team, who also signposted to sources of external advice and support, helping maintain morale and ensuring help for those who needed it most. The HR Team led the organisation's efforts to support our staff's mental health and a Wellbeing Survey was held in May followed by information and signposting to practical resources and counselling, including advice on sleep, exercise and diet. Training was also organised for managers at the end of the year to equip them to support members of their team better.

Covid-19 also had a major impact on the organisations' ability to recruit staff at a critical time. With so many organisations closed and staff furloughed it was often very difficult to obtain references and the HR Team spent a great deal of time reviewing the interview and induction process to maintain recruitment and ensure it was Covid safe.

7.0 COMMUNICATIONS AND ENGAGEMENT

Improving the relationship, openness and transparency between the Trust and its beneficiaries is key in helping ensure a vibrant and strong community, and effective communication is fundamental to achieving this. In January 2020 two engagement sessions were held with residents on improving our communications, and these were very well attended and received. Organisers were also keen to ensure we reached those who were unable to attend in person, including the housebound and those in our care, encouraging residents to send in or phone in any comments, suggestions and ideas.

In general, the feedback from residents, which was published and distributed to the village, revealed they wanted more accessible information and updates, and greater openness and honesty from the Trust. A

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

key issue was reaching those not on email as Bulletins could be issued several times a week and it was not practical to print and distribute it to everyone so regularly. Instead, paper copies were pinned to village and care home noticeboards, for those not on email but this was acknowledged to be an inefficient and often ineffective means of communications.

In March and April, the Housing Team undertook a major project updating information and preferences for each cottage resident which for the first time provided accurate detail for the Communications Manager about who had email and who did not. This presented a great opportunity to improve village communications and the decision was taken to publish the Bulletin once a week only, on a set day, and enlist the support of Section Reps in distributing it just to those in their section who needed a paper copy, based on a provided list. Printed copies were also issued to every resident in Huntley House and in our care homes, which meant for the first time we could be confident every resident in Whiteley Village received information from the Trust at least once a week.

In March 2020, the Trust launched 'In Touch', a new monthly Trust newsletter, which compliments the weekly Bulletin with longer term news. It features updates on Trust plans and activities from the CEO, news from key teams such as Housing and Support or Property and Estates, as well as human interest stories from the village and research news from The Whiteley Foundation for Ageing Well. While aimed at residents and staff, this is a more external-facing publication which is promoted through our social media and the Trust website news pages to help the Trust engage with other stakeholders. It has been well received by villagers and others alike.

During the Pandemic, residents and their relatives were actively encouraged to share their email details with us to support swifter communications. One unexpected silver lining to the situation was that residents had a renewed interest in receiving our Bulletins and weekly Covid-19 Updates. This helped us more than double our previous list of resident email contacts, and now also includes a number of relatives and tenants. We now email over 200 residents every week – a list that continues to grow as more digitally enabled residents move into Whiteley.

Our recent resident survey held at the end of 2020 indicated the positive impact of improvements to communications. 89% of responders said they felt kept informed about how the Trust is responding to the Coronavirus threat, and 92% of responders indicated they are kept informed about how the Government restrictions will affect them.

Building on the success of the previous face-to-face engagement sessions the Leadership Team had intended to hold further events in March, but the pandemic meant this was not possible. This plan will be revisited later in 2021 – when it is considered safe to meet in groups. In the meantime, other options such as the use of video and zoom has been used and will be considered for future engagement.

Staff receive dedicated regular Bulletins in addition to the In Touch newsletter each month, plus copies of the resident Bulletins. The staff newsletter, Team Talk is also issued quarterly with news from various teams and often an update from either the Chief Executive or the Director of People. News stories for staff are also regularly posted on the Intranet, and there is also regular new content on the Trust's website news pages.

There was some very welcome and significant media coverage for the Trust at the end of the year which we hope to build on in 2021. We have developed a productive relationship with the National Care Forum

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

(NCF) who feature our news once or twice a month in their members' newsletter, on their website and social media. In September, the Trust was asked to submit stories about staff and volunteers and their experiences during the pandemic for an e-book called Caring in Covid being planned by NCF. Two of our stories were later selected for publication and one was chosen to be featured on Christmas Eve in the NCF's online advent calendar, which was promoted across all Whiteley and NCF channels.

On 7th December, the Daily Mail visited the Hub to interview a relative and staff about our use of Lateral Flow Testing to facilitate safe visiting, and the Trust was featured positively in the newspaper alongside a number of other providers. The Trust was also approached by the Times Educational Supplement (TES) to request a filmed interview from our CEO Rachel Hill, about our residents' relationship with students at Hoe Valley School in Woking as part of their campaign to promote intergenerational relationships. Rachel's interview was promoted by TES and on their website, and a clip was also featured on Radio 5 Live on 23rd December.

Our greatest news coverage was from the release of the Christmas message from our Patron, HRH Prince Charles, which was featured by the Daily Mail and the Express on 23rd December. Our CEO Rachel Hill was interviewed with Whiteley resident Terry Pottinger on BBC Radio Surrey on Christmas Eve and on Brooklands radio. The story was also mentioned on nine other local and national news websites as well as generating a significant response on social media.

8.0 STAFF

There were some significant new appointments made to the senior leadership team in 2020. Principal among these was the appointment of Rachel Hill as Chief Executive Officer in April, after being Acting CEO since October 2019 and Director of Care and Community prior to that. Her appointment followed a thorough internal and external search and selection process supported by a recruitment consultancy, which the Board commissioned in December 2019. Rachel demonstrated that she was the outstanding candidate, and the Board endorsed her appointment unanimously.

At the end of 2019, the Board approved the creation of a new role of Director of Property, Estates and Housing to ensure effective representation of these issues at Leadership Team level, and in February 2020 appointed Julian Briant, a qualified Chartered Surveyor to the post. The new role of Head of Housing and Support was also created, and in February Lisa da Silva, previously of Anchor Hanover Housing Group, was appointed to the position, leading the newly formed Housing and Support Team. Another key appointment was the arrival of Adrian Green as Property Team Leader at the start of 2020 – also helping to bolster the expertise and knowledge in that Directorate.

In addition, there were some significant appointments within our Care Team, including Kevin Humphrys as Director of Care and Community and Michelle Cox as Head of Care.

The Executive developed ambitious but essential plans to reduce costs and improve efficiencies in 2020. Nearly all of these involved making changes around our people and processes: reducing employee numbers; introducing new ways of working; and in some areas strengthening our teams through introducing new roles and practices or more robust capability management. Regretfully, change of this nature often results in redundancies, and this year we have terminated the employment of seventeen employees, including six voluntary redundancies.

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

The Trust also utilised the Government's furlough scheme for employees whose roles were particularly affected by the pandemic, such as those working in Hospitality.

The Trust introduced a Values Heroes award scheme a few years ago. In recognition of the unique and challenging changes brought on by the pandemic, the Whiteley Covid Superhero Awards took place in July. Staff and residents were invited to nominate those employees who had made an outstanding contribution to the village and the work of the Trust during 2020. This was a very popular initiative and the top twenty employees, with the most nominations were awarded a voucher.

While a great morale boost and much appreciated by staff and villagers alike, the Awards also highlighted the difficulty of equity as often frontline staff were a more popular choice given their visibility – overlooking the critical contribution of those behind the scenes. The Leadership Team wanted to ensure that all staff were recognised for their contribution and as such made a general award of a £10 voucher to every other member of staff to acknowledge their hard work and dedication.

During 2020, there was a continued focus on reducing care and nursing agency costs and the Trust recruited over 60 new staff (permanent and bank), which was a major achievement given the complications posed to this process by Covid. In addition to this, our staff turnover reduced from 34% in 2019 to 28% in 2020.

Another success in 2020 was the significant reduction in staff absence to 2.3% from an average of 8% the previous year. This was an exceptional achievement given the circumstances. The Leadership Team are hugely grateful to all our staff for their commitment to our charity in such a difficult year.

The HR Team also introduced new 'Stay Interviews' to help the team understand better what makes people stay at Whiteley to help limit staff turnover in the future, especially in demanding, high-pressure roles such as care. This process has now been extended to our volunteers.

The nature of the services we provide means that training is a high priority for the Trust, with all staff being required to undertake mandatory training. For our nursing and care staff this equates to around twenty-five hours each year, and approximately fourteen hours each year for all other staff. There was a fantastic response to training compliance in 2020, resulting in 95% of our workforce being up to date with their mandatory training. We also provide many other non-mandatory training to ensure that staff are equipped with the necessary knowledge and skills to deliver their particular roles to the best of their ability. In 2020, 90 of our employees attended non-mandatory training providing them with new skills or knowledge to help them in their roles with the Trust.

Sadly, it was not possible to hold our Success and Service Awards for Trust employees this year, but twelve staff achieved a professional qualification: ten gaining a Care Certificate, and for the first time two were awarded a Healthcare Assistant Practitioner Foundation Degree. Three staff also achieved long-service milestones – including two for twenty years!

Our staff consultation group, 'Your Voice' has been in place for five years. This group contains representatives from all departments of the Trust, with monthly meetings held to share information, suggestions and concerns. The group is also normally responsible for leading on the organisation of staff social events, but due to Covid these were not possible this year.

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

To end the year, and by way of a thank you to our staff, all employees received a Christmas hamper of festive treats. This was distributed during the week of the Christmas video launch and was a happy way to end a tough year.

9.0 COMMUNITY

Volunteering

The number of volunteers in December 2020 was 192 and made up of 102 internal volunteers and 90 external volunteers. Due to Covid restrictions, for the period March to December 2020, only 91 (47%) of the volunteer force were active in key roles such as delivering communications, running the charity and furniture shops, manning reception and helping to run the shop and clubhouse meal delivery service. This level of volunteer support gave 3,832 hours of additional time to keep key services running within the village whilst many colleagues were on furlough, working from home, or shielding due to health conditions or family members being at risk. This equates to £31,459 based on the national minimum wage of £8.21/hr (2019: 9,238 hrs equating to £75,845 whilst not under Covid restrictions).

Resident Engagement

At the end of 2020, a resident survey was rolled out to all our residents in our care homes, Huntley House and cottages to evaluate the Trust's response to Covid-19.

Overall, the outcome of the survey was overwhelmingly positive, with residents feeling the Covid pandemic has been managed well by the Trust, and that they were kept well informed throughout. The majority of residents also said they felt well supported, cared for and safe within the village.

There were some concerns about issues such as security, support and the visibility of especially senior staff. This was hugely helpful feedback, and we went on to outline our responses to all our residents and put actions into place to respond.

Other Community Services team achievements

Staff members throughout the organisation formed our Covid 19 Community Taskforce alongside our regular volunteers. In addition, we had 70 new volunteers sign up to support our initial Covid response, helping to provide key services such as prescription, shopping and hot food deliveries. This became a regular group of around fifteen volunteers who have now been with us for over six months and look set to remain with us permanently.

The Community Services Staff team all worked throughout pandemic, quickly reassigned to new roles including covering reception, supporting the Community Taskforce of volunteers into new roles and delivery of meals to vulnerable residents. They co-ordinated a large amount of donations from corporate volunteers and schools, strengthening existing relationships and forging new ones, and facilitated such items as monthly Silvercraft packs, Verisk care packages and donations, University of Holloway pen pals, School cards and gifts, individual pen pals with residents and Christmas hampers.

Throughout the pandemic we have seen displays of the community spirit shown by Whiteley Village residents, from doing gardening, and cooking and looking out for one another, to distributing weekly

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

Bulletins. A number of these were recognised at our Founder's Day awards in 2020, which was delivered online.

Our Chaplaincy Assistant delivered 2,655 meals in total, to an average of 30 residents per day during the height of the pandemic from donations given to the Trust by Kingsgate Church in Kingston. We were grateful to have secured the appointment of the new Chaplain/Spiritual Care Lead at the end of 2020.

We were delighted by the warmth and joy that the Christmas celebration video brought to so many and were proud of the team contribution to the recording, co-ordinating and delivery of the video to residents, staff and external partners.

At time of writing, the village has only had twelve infections during the pandemic, with just two deaths – both of whom contracted and died of the virus in hospital. There were no infections at all in Ingram House, our residential care home, just two in the Eliza Palmer Hub nursing home (both of whom fully recovered) and ten in the rest of the village of over 400 vulnerable people – including nine centenarians up to the age of 107.

10.0 PUBLIC BENEFIT

The Whiteley Foundation for Ageing Well embarked on numerous projects in 2020 and further established good relationships with think tanks, associations and universities in the ageing sector.

Following on from the success of the 'You, Me and the Bid D' project, Phase II continued Whiteley Village's commitment to becoming a dementia-friendly community. Residents and staff had an immersive experience when the Alzheimer's Society's Dementia Bus visited the village in February 2020. The 'Oral History' project was initiated in early 2020 to train residents and staff to conduct oral history interviews to capture the history of Whiteley Village through the memories of some of Whiteley's oldest residents. Unfortunately, due to the Covid-19 pandemic, the activities of these projects had to be put on hold.

In September 2020, the 'Transitions Project' started in collaboration with Surrey University and funded by the Pargiter Trust, aimed to understand the experiences of older people moving into retirement communities.

By the end of 2020, two additional projects were confirmed. The first of these was the 'Birds and the Bees' Nature Conservation project in collaboration with Surrey University, which aims to improve older people's health and wellbeing through engagement with nature. The second project, the 'Almshouse Longevity Study' in collaboration with City University Business School, aims to investigate if residents of almshouses experience a longer life expectancy compared to those of the same socioeconomic demographic in the general population. Both research projects are funded by the Dunhill Medical Trust. The Whiteley Foundation also become an active participant in the UKRI Healthy Ageing Grand Challenge and strengthened its relationship with the Almshouse Association with collaboration on projects and bid proposals.

The Whiteley Foundation remains committed to co-producing research with residents and staff and keeps The Whiteley Homes Trust charity objects – providing housing to older people of limited means – at the forefront of its research aims and partnerships.

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

11.0 SUBSIDIES

Traditionally our charity subsidises a number of activities which the Trust sees as crucial to the positive health and wellbeing of residents, enabling them to live healthily, both physically and mentally, for as long as possible.

These would normally include Hobbs therapies (physiotherapy, occupational therapy and speech and language therapy), the clubhouse, (which provides affordable food and drink and a social space for residents, helping avoid isolation), the maintenance of the golf course, bowling green, activities centre, heating for the activities centre, provision of chaplaincy services and the running of St Mark's Church, and the village shop.

Although some services have continued to be provided such as the maintenance for certain facilities (greens for golf and putting), a limited Hobbs Therapy service and periodic access to St Mark's Church (with increased cleaning to ensure Covid safety), most of our facilities have been closed.

A number of village beneficiaries have continued to be subsidised to be cared for in nursing or residential care facilities or supported by our housing team support workers.

12.0 CONCLUSION

At the end of 2020, the Leadership Team concluded that the direction for the next twelve months would focus on the following key areas:

- 1. Re-establishing the Vision, Mission and Purpose of the Trust:** Raising our profile as a charity and housing provider for older people of limited means.
- 2. Financial sustainability:** Continue the work started in 2020 to reduce costs and increase income, enabling us to deliver the required infrastructure improvements.
- 3. Prioritising community development:** Development of a co-produced community strategy that ensures new, innovative and cost-efficient support structures that promote culture change through stakeholder engagement.
- 4. Property:** Development of long-term strategy for ensuring properties are maintained on a cyclical basis and that there are ongoing funds available to facilitate this, bringing back any vacant properties into use wherever possible.
- 5. Maximising assets:** Working with Elmbridge Borough Council, we will develop a Master Plan and evaluate the best use of the site for the next 30 years to provide as many homes for the older population as possible.

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

13.0 FINANCIAL REVIEW

13.1 Income: How we raised our money

Income from operational activities increased in 2020 to £8.6m (2019: £8.0m). The increase was due to a higher level of rental income and care fees received as the Eliza Palmer Hub enjoyed its first full year of operation, and government grants relating to the Covid-19 pandemic.

The principal source of funding for the Trust continued to be charitable activities, particularly amenity charges and fees related to services provided at Huntley House, Ingram House, the Eliza Palmer Hub and the cottages. Charitable activities accounted for 86.0% of total income, whilst trading activities within Whiteley Village Services Limited accounted for 7.3% of total income.

Revenue by income type

	2020	2020	2019	2019
	£000	%	£000	%
Income from				
Donations and similar resources	342	4.0	105	1.3
Investments	125	1.5	108	1.3
Charitable activities	7,402	86.0	6,629	82.8
Trading activities	631	7.3	456	5.7
Other	106	1.2	709	8.9
Total income	8,607	100.0	8,007	100.0

13.2 Expenditure: How we spent our money

The Trust's expenditure on normal activities before exceptional items for the year to December 2020 was £9.9m, an increase of 6.2% in comparison to the previous year due to a combination of increased staff cost, depreciation and additional costs in response to the Covid-19 pandemic.

Expenditure by cost type

	2020	2020	2019	2019
	£000	%	£000	%
Group expenditure (excluding gains / loss on investments and pensions)				
Fundraising	77	0.8	230	2.5
Staff costs (including training and recruitment)	4,797	48.3	4,516	48.3
Professional charges	134	1.3	48	0.5
Lighting and heating	266	2.7	310	3.3
Repairs and maintenance	555	5.6	523	5.6
Catering costs	441	4.4	520	5.6
Depreciation	1,790	18.0	1,562	16.7
Other	1,871	18.8	1,640	17.5
Total expenditure before exceptional items	9,931	100.0	9,349	100.0

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

13.3 Exceptional items

With the completion of the Eliza Palmer Care Hub in 2019, the £2.1m spent on the other construction projects for which planning permission had been unsuccessful were written off in the year. This and £0.7m of restructuring costs comprise the exceptional expenditure items in the year.

13.4 Reserves policy

The Trust relies heavily on funds received in respect of amenity charges and care services from local authorities and these depend on local authority funding and policy. This dependence represents a key financial risk to the Trust. Accordingly, the Trust sets aside funds to meet future charitable expenditure to cover the situation should there be a significant short-term drop in income.

The Trustees consider it desirable to have free cash reserves equating to at least three months' expenditure as an operating contingency balance. Free cash reserves, including cash held as investments, at 31st December 2020 were £2.7m, which equates to 4.3 months' expenditure, a level considered to be prudent in the current climate and given the Trustees' intentions regarding the Whiteley Village estate strategy.

The Trust's total funds amount to £43.2m (2019: £47.1m), most of which is deployed in property or the Endowment Funds. The balance of funds, known as free reserves, amount to £1.73m (2019: £2.51m).

14.0 PRINCIPAL RISKS AND UNCERTAINTIES

14.1 Internal controls assurance

The Board acknowledges that it has overall responsibility for establishing and maintaining the whole system of internal control and for reviewing the effectiveness of the system of internal control, both for the Trust and the Group.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and provides reasonable assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Trust is on-going.

The principal risks and uncertainties, and how those risks are being managed are outlined below.

14.2 General

The major risks to which the Trust is exposed, as identified by the Trustees, have been reviewed and systems or procedures have been established to manage those risks. As required, external audits are also conducted. A strategic risk register is maintained and is reviewed by the Main Board at least annually, and the functional sub-committees review parts of their areas of responsibility for risks at most meetings.

Risk assessment is based on an evaluation of the impact and probability of identified risks occurring; a review of the management controls and monitoring processes to manage the risk and re-evaluation of

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

the residual risk impact and probabilities. All staff receive training in risk assessment and the Trust's procedures reflect best practice tailored to local circumstances.

14.3 Income risk

The Board has recognised the risks to the Trust's finances posed by the dependence of its beneficiaries on public-sector funding, and the need for the Trust to supplement that. It has been closely monitoring its cash flow and reducing its dependence on such funding where appropriate. Downward pressure on funding and state benefits is expected to continue and will pose challenges to the Trust's management in coming years.

14.4 Regulation and legislation risk

Changes to the way care services are commissioned and funded could have an adverse financial impact on The Whiteley Homes Trust.

The impact of the implementation of future legislation will continue to be monitored and processes for admissions and funding of care will be reshaped accordingly. Legislative risk is mitigated by the Trust differentiating fee rates for different levels of service and maintaining close relationships with key local authorities.

14.5 Development risk

Elements of the Trust's growth plans will be achieved through a programme of development in areas including extra care retirement living, nursing care and independent living properties. Significant risk issues in this area include attracting good staff, decreasing public sector funding and planning permission to build.

14.6 Liquidity risk

The Group's objective is to maintain a balance between cash balances and long-term investments. The Group's policy on liquidity risk is to ensure that there are sufficient cash balances to meet the day-to-day needs of the organisation while investing surplus balances in deposit accounts.

14.7 Cash flow risk

Whilst the Group has some level of certainty on monthly cashflows from its property assets, management are focused on maintaining the occupancy levels required to maintain positive cash flow. The Group has clear sight of the need to ensure cashflow is managed to meet all the cash needs including loan interest and capital repayments as well as achieving the financial covenants that have been set by Triodos / Unity banks as part of the funding agreement.

The net current assets position in the balance sheet reflects the recognition of the amount of debt repayable within the year.

14.8 Digital, data and cyber risks

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

Key risks in this area include cyber-attacks, and over-reliance on external systems management, potentially leading to data loss or temporary loss of service. IT risk is mitigated by the Trust investing in extensive malware protection and security patching and industry standard firewalls. There are also internal restrictions to prevent unauthorised systems access.

14.9 Investment, policy and powers

The Group has investments held within an Endowment Fund. The Trust's investment funds are managed by Waverton Investment Managers. It is the Trust's investment policy to aim to maintain the real value of the capital while also generating income for the Trust.

Performance of the Trust's investment is monitored by the Performance Committee and is also reviewed annually at a Board Meeting. Performance is compared within each portfolio over time, by comparing the relative performance against the Waverton Balanced index and other representative benchmarks.

Total returns for the year have been 9.63% compared with the Waverton Balanced index return of 10.75%. This is viewed as adequate in view of the asset allocations and risk profile set by the Assurance Committee investing for the long term.

14.10 Fundraising approach and performance

The Trust undertakes fundraising activity via fundraising events and sponsored events in line with the Fundraising Code of Practice set by the Fundraising Regulator.

The Trust made no use of third-party fundraisers in 2020.

Total fundraising income for the year to December 2020 was £168k, an increase of 60% in comparison to the previous year. This excludes government grants received in respect of the Covid-19 pandemic, which are presented within voluntary income in the Statement of Financial Activities.

14.11 Covid-19 pandemic risk

The Covid-19 pandemic continues to pose a significant risk both financially and operationally. It was successfully managed in 2020 with minimal financial and operational impact, but these risks will continue.

15.0 GOVERNANCE

15.1 Organisational structure and subsidiaries

The Trust's activities are governed by the Will of William Whiteley and the Charity Commission Scheme which enables the Trust, as corporate Trustee of the William Whiteley Endowment Fund, to manage the assets of both charities as one given that both have identical aims and purposes, and both are governed by the Will.

The Trust has three wholly owned subsidiaries:

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

1. Whiteley Village Services Limited – a trading subsidiary for the commercial lettings of property, sales from the club house and shop, hall hire and sports field lease income. It continues to donate its operating surplus in full to the Trust to assist it in providing for beneficiaries
2. Whiteley Homes Property C.I.C. – set up to oversee the development of the Whiteley Futures project
3. Whiteley Village Development Company Limited – now dormant, previously providing construction and contract related services to the trust

15.2 Management, decision making and delegation

The Will provides that the Trust must have a minimum of nine trustees, with no maximum specified, and the serving Board of Trustees is responsible for electing new Trustees. At the start of 2020, the Board comprised fourteen Trustees with the number at year end standing at twelve.

Overall strategic direction is the responsibility of the Board who are supported in this by the Leadership Team, under the CEO. The annual budget and management plan are prepared by the Leadership Team for the approval of the Board prior to the start of the financial year.

The Board delegates responsibility for day-to-day operations to the Chief Executive and her team, though this is subject to regular and ongoing scrutiny by a series of committees. Financial delegation is subject to a detailed schedule of authorisation levels.

Committees operating during 2020 were:

- Housing, Property & Asset Committee (to ensure the Trust has an effective, strategic and sustainable approach to risk, finance, governance and planning in all areas of Estate Management; review, challenge and hold management to account on all of the above and ensure compliance with best practices)
- The Care and Community Committee (to hold management to account for ensuring that the activities and resources of the Trust are focused on providing expert care and promoting the wellbeing of all residents)
- The Finance and Audit Committee (to ensure the Trust has effective risk management, internal financial control and sound financial governance; review, challenge and hold management to account on all of the above and ensure compliance with best practices).

Additional sub committees review:

- Admissions;
- Pensions;
- Investment; and
- Annual budget setting and remuneration.

The composition of the Board is reviewed regularly to ensure it has the appropriate skill sets to deliver the strategy and the Board maintains a focus on seeking to recruit new Trustees with carefully identified skills and experience to fill vacancies arising from retirements and resignations. Trustees are elected for an initial three-year term with one renewal and, in exceptional circumstances and by mutual consent, a second renewal is allowed. The Chair and Deputy Chair serve a three-year term, renewable once. Newly appointed Trustees are given an induction into the governance, operation and management of the Trust

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

by the CEO in line with a programme agreed with the Chair of Trustees. Ongoing training is provided as the need is identified.

15.3 Remuneration

Key management personnel comprise the CEO and the Leadership Team who are together responsible for directing, controlling, managing and operating the trust on a day-to-day level.

Staff pay levels are benchmarked against comparables in similar sized local care and support entities, any changes are approved by the Board in the budget setting process.

The remuneration of senior staff is reviewed and was discussed this year for the first time in a formal Remuneration committee.

Information on Trustees' expenses and related party transactions is disclosed in the accounts and Trustees receive no remuneration.

16.0 LEGAL AND ADMINISTRATIVE DETAILS

16.1 Status and administration

The Whiteley Homes Trust was founded in 1907 as a result of the legacy of the late William Whiteley. Registered Office: Eliza Palmer Care Hub, Octagon Road, Whiteley Village, Walton-on-Thames, Surrey, England, KT12 4ES.

The Trust is Registered Charity Number 1103056 and Company Number 04957706.

The Whiteley Homes Trust is the corporate Trustee of the William Whiteley Endowment Trust registered charity number 1103056/1, which owns the permanent endowment. Both charities have identical aims and objects, both being principally governed by the Will of William Whiteley. The scheme that governs The Whiteley Homes Trust contains a Uniting Direction to enable the Trustees to manage the assets of the two charities as one for accounting and reporting purposes.

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

Trustees (2020)

R. Bennion OBE, FRICS, FCIOB, FRSA: Chair	
M. G. Sadler LLB, MA, FCCA: Deputy Chair	
J. K. Beauchamp	(appointed 30 March 2021)
M. J. Barrett	(resigned 31 July 2020)
M. D. Berry	
Dr. B. A. Castleton MA, MB Bchir, FRCP	
R. M. Formby	(resigned 30 April 2020)
M. G. Henderson	(appointed 30 March 2021)
K. J. Hiscock MA	
T. D. Hoskin	(resigned 28 May 2021)
M. Lindsay	
F. McAnena	
E. A. Peace CBE	
M. A. Pomery CVO, MA, FIA	(resigned 29 June 2021)
D. A. M. Straughen BA (Hons)	(resigned 29 June 2021)
M. F. A. Tolley BSc, PPCSI	(resigned 29 June 2021)

Senior Management Team (2020)

R. Hill: Chief Executive Officer	
A. Armstrong: Interim Director of Foundation and Community	(resigned 30 April 2020)
J. Briant: Director of Housing, Property and Estates	(appointed 5 February 2020)
S. Cavendish: Chief Financial Officer	(resigned 29 June 2020)
K. Humphrys: Director of Care and Community	
J. Joshi: Interim Chief Financial Officer	(appointed 7 July 2020)
K. Sargent: Director of People and Transformation	

16.2 Professional advisors

- Bankers: Lloyds Bank, 83 High Street, Walton-on-Thames, Surrey KT12 1DU
- Solicitors: Farrer and Co LLP, 66 Lincolns Inn Fields, London WC2A 3LH
- Investment Advisors: Waverton Investment Management Limited, 16 Babmaes Street, London SW1Y 6AH
- External Auditors: Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG
- Internal Auditors: Crowe Clark Whitehill LLP, St Bride's House, 10 Salisbury Square, London EC4Y 8EH
- Health and Safety Advisors: THSP Risk Management, 16c Market Square, Sandy, Bedfordshire SG19 1HU

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

16.3 Statement by the Chair of Trustees

The current trustees have all taken the steps that are required to make themselves aware of any information needed by the Trust's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The trustees are not aware of any relevant audit information of which the auditors are unaware.

Haysmacintyre LLP was appointed as the company's auditor by the directors and have expressed their willingness to continue in office. Under the Companies Act 2006 section 487(2) they will be automatically re-appointed as auditors 28 days after these accounts are sent to the members, unless the members exercise their rights under the Companies Act 2006 to prevent their re-appointment.

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

17.0 TRUSTEES' RESPONSIBILITIES

The Trustees' are responsible for preparing the Trustees Report, which incorporates the Strategic Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (GAAP) United Kingdom Accounting Standards and applicable Law. Under Company law the Trustees' must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of Charities 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report, including the Strategic report were approved by the Board of Trustees and signed on its behalf by:

Rodney Bennion

Rodney Bennion
Chair

Date: 28/09/2021

R.M. Hill

Rachel Hill
Chief Executive Officer

Date:

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WHITELEY HOMES TRUST

Opinion

We have audited the financial statements of The Whiteley Homes Trust for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated and Parent Charitable Company Cash Flow Statements 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 31 December 2020 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.

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' Annual Report and the Chief Executive's statement. 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.

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual 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' Annual 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' Annual 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 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 28, 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 or 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

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2020

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 that the principal risks of non-compliance with laws and regulations related to trust law in relation to restricted funds, CQC regulations and regulations concerning the safeguarding of vulnerable beneficiaries, 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 and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the misstatement of revenue and the override of internal controls. 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, with particular consideration for journal entries posted with unusual account combinations, posted by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of 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. 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.



Richard Weaver (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

Date: 5 October 2021

10 Queen Street Place
London
EC4R 1AG

The Whiteley Homes Trust

Consolidated Statement of Financial Activities for the year ended 31 December 2020

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £
Income from:					
Donations and similar resources		41,711	299,922	-	341,633
Investment income		125,420	-	-	125,420
Charitable activities - amenity charges and fees		7,402,428	-	-	7,402,428
Trading activities	3	631,276	-	-	631,276
Other	4	106,481	-	-	106,481
Total income		8,307,316	299,922	-	8,607,238
Expenditure on:					
Charitable activities:					
Cost of provision of homes		8,907,763	424,126	57,457	9,389,346
Cost of raising funds:					
Cost of generating funds		77,207	-	-	77,207
Cost of trading activities		464,569	-	-	464,569
Exceptional items	7	2,841,509	-	-	2,841,509
Total expenditure	5	12,291,048	424,126	57,457	12,772,631
Net income/(expenditure) before gains and losses on Investments		(3,983,732)	(124,204)	(57,457)	(4,165,393)
Realised and unrealised investment gains		-	-	384,510	384,510
Net income/expenditure		(3,983,732)	(124,204)	327,053	(3,780,883)
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension scheme	18	(169,000)	-	-	(169,000)
Net movements in funds		(4,152,732)	(124,204)	327,053	(3,949,883)
Balance brought forward at 1 January 2019		37,470,610	2,566,386	7,080,922	47,117,918
Balance carried forward at 31 December 2020		33,317,878	2,442,182	7,407,975	43,168,035
Total funds					43,168,035
Less endowment funds and restricted funds					(9,850,157)
Less unrestricted fixed assets (net of related funding)					(30,890,137)
Deduct pension reserve asset					(697,000)
Free reserves					1,730,741

No separate income and expenditure account as required under the Companies Act 2006 has been presented, as the only difference between the net expenditure for the year before investment gains and transfers, (£4,165,393), and the net expenditure for the year as defined by the Companies Act, (£4,107,936), are the expenditure and gains relating to the charity's endowment funds presented above.

All amounts relate to continuing activities. All gains and losses recognised in the year are included above.

The notes on pages 38 to 59 form part of these financial statements.

The Whiteley Homes Trust

Consolidated Statement of Financial Activities for the year ended 31 December 2019

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £
Income from:					
Donations and similar resources		31,605	73,641	-	105,246
Investment income		107,600	-	-	107,600
Charitable activities - amenity charges and fees		6,628,709	-	-	6,628,709
Trading activities	3	455,913	-	-	455,913
Other	4	706,751	-	-	706,751
Net gain on disposal of fixed assets		3,000	-	-	3,000
Total income		7,933,578	73,641	-	8,007,219
Expenditure on:					
Charitable activities:					
Cost of provision of homes		8,440,156	165,158	57,458	8,662,772
Cost of raising funds:					
Cost of generating funds		230,376	-	-	230,376
Cost of trading activities		455,913	-	-	455,913
Total expenditure	5	9,126,445	165,158	57,458	9,349,061
Net income/(expenditure) before gains and losses on Investments		(1,192,867)	(91,517)	(57,458)	(1,341,842)
Realised and unrealised investment gains		-	-	447,744	447,744
Net income/expenditure		(1,192,867)	(91,517)	390,286	(894,098)
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension scheme	18	134,000	-	-	134,000
Net movements in funds		(1,058,867)	(91,517)	390,286	(760,098)
Balance brought forward at 1 January 2018		38,529,477	2,657,903	6,690,636	47,878,016
Balance carried forward at 31 December 2019		37,470,610	2,566,386	7,080,922	47,117,918
Total funds					47,117,918
Less endowment funds and restricted funds					(9,647,308)
Less unrestricted fixed assets (net of related funding)					(34,104,438)
Deduct pension reserve asset					(852,000)
Free reserves					2,514,172

No separate income and expenditure account as required under the Companies Act 2006 has been presented, as the only difference between the net expenditure for the year before investment gains and transfers, (£1,341,842), and the net expenditure for the year as defined by the Companies Act, (£1,284,384), are the expenditure and gains relating to the charity's endowment funds presented above.

All amounts relate to continuing activities. All gains and losses recognised in the year are included above.

The notes on pages 38 to 59 form part of these financial statements.

The Whiteley Homes Trust

Consolidated Balance Sheet as at 31 December 2020

Company Registration No. 04957706 (England and Wales)

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets	8	49,807,498		52,957,857	
Investments	9	9,161,465		8,775,000	
Total Fixed Assets			58,968,963		61,732,857
Current assets					
Stocks		3,617		15,717	
Sundry debtors and prepayments	10	352,976		302,328	
Cash and cash equivalents	19	979,051		1,673,634	
		1,335,644		1,991,679	
Creditors: amounts falling due within one year	11	1,910,781		997,786	
Net current assets/ (liabilities)			(575,137)		993,893
Total assets less current assets/ (liabilities)			58,393,826		62,726,750
Creditors: amounts falling due after more than one year	12	15,922,791		16,460,832	
Pension scheme funding asset	18	(697,000)		(852,000)	
			(15,225,791)		(15,608,832)
Net assets			43,168,035		47,117,918
Financed by:					
Funds of the charity					
Endowment fund	14		7,407,975		7,080,922
Restricted funds	15		2,442,182		2,566,386
Unrestricted funds:					
- Fixed assets: less related funding		23,781,231		26,995,532	
- Fixed assets: revaluation reserve		7,108,906		7,108,906	
- Free reserves: other		1,730,741		2,514,172	
		32,620,878		36,618,610	
- Pension Reserve asset	18	697,000		852,000	
	16		33,317,878		37,470,610
			43,168,035		47,117,918

Approved and authorised for issue on behalf of the Trustees on

by:

Rodney Bennion

R Bennion - Chair

Michael J. Sadler

M Sadler - Trustee

The notes on pages 38 to 59 form part of these financial statements.

The Whiteley Homes Trust

Charity Balance Sheet as at 31 December 2020

Company Registration No. 04957706 (England and Wales)

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets	8	49,807,498		41,356,902	
Investments	9	9,161,568		8,775,103	
Total Fixed Assets			58,969,066		50,132,005
Current assets					
Stocks		3,617		15,717	
Sundry debtors and prepayments	10	318,159		12,550,628	
Cash and cash equivalents	19	965,400		1,030,384	
		1,287,176		13,596,729	
Creditors: amounts falling due within one year	11	2,029,119		1,040,397	
Net current assets/(liabilities)			(741,943)		12,556,332
Total assets less current assets/(liabilities)			58,227,123		62,688,337
Creditors: amounts falling due after more than one year	12	15,922,791		16,460,832	
Pension scheme funding asset	18	(697,000)		(852,000)	
			(15,225,791)		(15,608,832)
Net assets			43,001,332		47,079,505
Financed by:					
Funds of the charity					
Endowment fund	14		7,407,975		7,080,922
Restricted funds	15		2,442,182		2,566,386
Unrestricted funds:					
- Fixed assets less related funding		23,781,231		22,503,484	
- Free reserves revaluation reserve		7,108,906		7,108,906	
- Free reserves: other		1,564,038		6,967,807	
		32,454,175		36,580,197	
- Pension Reserve asset	18	697,000		852,000	
	16		33,151,175		37,432,197
			43,001,332		47,079,505

The Charity's movement in reserves for the year was -£4,078,173 (2019: -£615,881)

Approved and authorised for issue on behalf of the Trustees on

by:

Rodney Bennion

R Bennion - Chair

Michael J. Sadler

M Sadler - Trustee

The notes on pages 38 to 59 form part of these financial statements.

The Whiteley Homes Trust

Consolidated Statement of Cash Flows for the year ended 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	19		(61,501)		(255,963)
Cash flows from investing activities					
Interest and dividends received		125,420		107,600	
Purchase of tangible fixed assets		(775,715)		(4,991,042)	
Receipts from sale of tangible fixed assets		-		3,000	
Purchase of investments from Endowment funds		(1,260,183)		(1,141,982)	
Sale of investments from Endowment funds		1,260,183		1,141,982	
Addition of bank deposit investment		(1,955)		(2,600)	
			(652,250)		(4,883,042)
Cash flows from financing activities					
Receipt of loan monies		19,168		5,309,623	
			19,168		5,309,623
Increase/(decrease) in cash and cash equivalents in the year	20		(694,583)		170,618
Cash and cash equivalents at the beginning of the year			1,673,634		1,503,016
Total cash and cash equivalents at the end of the year			979,051		1,673,634

The notes on pages 38 to 59 form part of these financial statements.

The Whiteley Homes Trust

Charity Statement of Cash Flows for the year ended 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	19		302,833		(5,380,930)
Cash flows from investing activities					
Interest received		125,420		107,600	
Purchase of tangible fixed assets		(510,450)		(321,023)	
Receipts from sale of tangible fixed assets		-		3,000	
Purchase of investments from endowment funds		(1,260,183)		(1,141,982)	
Sale of investments from Endowment funds		1,260,183		1,141,982	
Addition of bank deposit investment		(1,955)		(2,600)	
			(386,985)		(213,023)
Cash flows from financing activities					
Receipt of loan facility		19,168		5,309,623	
			19,168		5,309,623
Increase/(decrease) in cash and cash equivalents in the year	20		(64,984)		(284,330)
Cash and cash equivalents at the beginning of the year			1,030,384		1,314,714
Total cash and cash equivalents at the end of year			965,400		1,030,384

The notes on pages 38 to 59 form part of these financial statements.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020

1 Status

The Trust was established by the Will of Mr W. Whiteley which was proved on 16 April 1907. The Trust is a registered company and charity in England and Wales.

2 Accounting policies

Basis of accounting

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Statement of Recommended Practice *Accounting and reporting by charities* (Charities SORP (FRS102)) (Second Edition, effective 1 January 2019) and the companies act 2006.

The Whiteley Homes Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Basis of consolidation

The Charity only figures in these financial statements combine the activities of The Whiteley Homes Trust with those of the William Whiteley Endowment Trust under a uniting direction put in place by the Charity Commission, dated 23 December 2004.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The charitable company's own statement of financial activities (SOFA) has not been presented, as permitted by s.408 of the Companies Act 2006.

Preparation of the accounts on a going concern basis

These accounts are based on a going concern basis. Having reviewed financial projections including a cash flow forecast, for the period to 31 December 2022, the trustees are satisfied that the charity has sufficient resources to meet its liabilities as they fall due. The trustees note that the charity's long term loan finance is subject to specific financial covenants and that a breach of covenant could result in adverse changes to the repayment schedule. The financial projections indicate that the charity's financial performance is expected to remain within the terms of the loan covenants for the period of the going concern assessment. Accordingly, the trustees consider that there are no material uncertainties that could cast significant doubt on the charity's ability to continue as a going concern.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. All income arose in the UK.

Income from charitable activities represents fees and amenity charges arising from the provision of homes and support to the older people with limited means. Income is recognised in accordance with service provision.

Income from investments represents interest and deposits receivable. Interest on funds held on deposit is recognised when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (*continued*)

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Donations are recognised when the Trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case-by-case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Government grants are included within 'Donations and similar resources'. Grants receivable under the Coronavirus Job Retention Scheme are recognised in the same period as the related staff costs. Other government grants are recognised when receivable.

Expenditure

All expenditure is accounted for on an accruals basis. Irrecoverable VAT is allocated to the associated cost. All costs are directly allocated to the category of expenditure.

Governance costs are those incurred in connection with compliance with constitutional and statutory requirements. All costs are directly allocated to the cost of charitable activities.

Support costs are attributed to the costs of raising funds and charitable activities using a percentage based upon the direct expenditure allocation. These are made up of Administration, Fundraising, Church, Human Resources and Estate.

Fixed assets and depreciation

Fixed assets are stated at cost less depreciation.

Depreciation is provided on the following tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Freehold buildings	-	2 to 3.3% per annum on cost or valuation
Estate infrastructure	-	10% per annum on cost
Plant and equipment including nursing home equipment	-	20% per annum on cost
Motor vehicles	-	25% per annum on cost
Computer equipment	-	33.3% per annum on cost

All expenditure on freehold land and buildings, including improvements, are stated at cost.

Freehold land is neither depreciated nor shown at current valuation, as neither treatment is considered appropriate by the Trustees.

Investments

Investments are stated at bid price at the balance sheet date.

The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (*continued*)

Stocks

Stocks are valued at the lower of cost or net realisable value.

Financial instruments

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses

Loans

The Trust has one bank loan that is classified as a basic financial instrument in accordance with FRS 102. This instrument is initially recorded at the transaction price less any transaction costs (historical cost), FRS 102 requires that basic financial instruments are subsequently measured at amortised cost.

The Trust also has an overdraft facility that is repayable on demand and accounted for at historical cost.

Cash and cash equivalents

Cash and cash equivalents in the Group's balance sheet consists of cash at bank, in hand, deposits and notice accounts with an original maturity of three months or less.

Funds

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. Presently there are no designated funds.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes.

Endowment funds are funds for which the capital is required to be retained in accordance with the donor's wishes. The income is also treated in accordance with the donor's wishes and is credited to a restricted income fund.

General unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general charitable objectives. A pension reserve is included within unrestricted funds to meet the pension deficit.

Pension Schemes

The group's defined benefits scheme is accounted for in accordance with FRS 102. The service cost of pension provision relating to the year, together with the cost of any benefits relating to past service if the benefits have vested, is charged to the statement of financial activities. A charge equal to the increase in the present value of the scheme's liabilities (because the benefits are closer to settlement) and a credit equivalent to the Group's long term expected return on assets (based on the market value of the scheme's assets at the start of the year), are also included in the statement of financial activities.

The difference between the market value of the assets of the scheme and the present value of the accrued pension liabilities is shown as an asset or liability on the balance sheet. Any differences between the actual and expected return on assets during the year are recognised in the statement of financial activities along with differences arising from experience or assumption changes.

Contributions to the group's defined contribution pension scheme are charged to the statement of financial activities in the year in which they become payable.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (*continued*)

Accounting estimates and judgements

In preparing the accounts, the trustees are required to make estimates and judgements. The matters detailed below are considered to be the most important in understanding the judgements that are involved in preparing the accounts, and the uncertainties that could impact the amounts reported.

Income Recognition

A significant portion of the Trust's income is earned on entitlement to funds. Income is allocated to each accounting period in accordance with the income note above.

Cost Allocation

Non-direct costs are allocated or apportioned to the expenditure categories in the SOFA on a basis consistent with identified cost drivers such as headcount, usage and space occupied. Judgment is used in the allocation methods applied to each non-direct cost area.

Actuarial assumptions in respect of defined benefit pension scheme

The application of actuarial assumptions relating to the Trust's defined benefit pension scheme is incorporated in the accounts in accordance with FRS102. In setting the assumptions, advice is taken from independent qualified actuaries. These assumptions require significant judgement to be exercised with regard to such areas as future changes in salary and inflation, mortality rates and long-term discount rates.

The Trustees consider that the defined benefit pension asset is recoverable through reductions in future contributions or through refunds from the pension scheme.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (continued)

3 Trading Subsidiaries

The charity has two active trading subsidiaries: Whiteley Village Services Limited (company number 06760134) and Whiteley Homes Property C.I.C. (company number 10354476).

The results of Whiteley Village Services Limited are shown below:

	2020 £	2019 £
Turnover	631,276	455,913
Cost of sales	(333,598)	(119,204)
Administration expenses	(130,971)	(336,709)
	<hr/>	<hr/>
Profit for the year	166,707	-
	<hr/>	<hr/>

Whiteley Village Services Limited is a wholly owned subsidiary of the charity, incorporated in England and is involved in hospitality and other commercial services with £100 issued share capital.

The results of Whiteley Homes Property C.I.C. are shown below:

	2020 £	2019 £
Turnover:		
- Sale of building	9,911,997	-
- Management fees	-	112,000
Cost of sales	(9,911,997)	(2,921)
Administrative expenses	(13,650)	-
Exceptional items	13,650	-
	<hr/>	<hr/>
Profit for the year	-	109,079
	<hr/>	<hr/>

Whiteley Homes Property C.I.C. is a wholly owned subsidiary of the charity, incorporated in England and is involved in the management of the Whiteley Futures redevelopment project with £1 issued share capital.

The charity also has a 100% interest in Whiteley Village Development Company Limited (company number 04341307).

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (*continued*)

4 Other Incoming Resources

	2020 £	2020 £	2019 £	2019 £
<i>Miscellaneous income:</i>				
Village store and club	-		188,183	
Rents receivable	-		197,345	
Other	65,461		276,048	
Total miscellaneous income		65,461		661,576
Interest on deposit accounts		41,020		45,175
Other unrestricted incoming resources		106,481		706,751

All activities included within miscellaneous income are subsidised by the Trust.

5 Expenditure

Expenditure for the year ended 31 December 2020 can be analysed as:

	Direct Costs £	Support Costs £	Depr'n £	Total £
Cost of provision of homes	6,196,924	1,402,125	1,790,297	9,389,346
Cost of generating funds	-	77,207	-	77,207
Cost of trading activities	464,569	-	-	464,569
Exceptional items	2,841,509	-	-	2,841,509
	9,503,002	1,479,332	1,790,297	12,772,631

Expenditure for the year ended 31 December 2019 can be analysed as:

	Direct Costs £	Support Costs £	Depr'n £	Total £
Cost of provision of homes	5,827,880	1,272,463	1,562,429	8,662,772
Cost of generating funds	-	230,376	-	230,376
Cost of trading activities	455,913	-	-	455,913
	6,283,793	1,502,839	1,562,429	9,349,061

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (continued)

Net income/expenditure for the year is stated after charging:

	2020 £	2019 £
Depreciation	1,790,297	1,562,429
Interest payable	512,743	511,065
External auditors' remuneration:		
- Audit services (current year)	25,800	24,925
- Audit services (prior year underprovision)	12,000	-
- Other services	18,840	5,000

Included within expenditure are governance costs of £57,573 (2019: £24,925), relating to external auditor's remuneration (see above) and £16,443 (2019: £27,276) relating to internal auditor's remuneration.

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2020 £	2019 £
Salaries and wages	3,863,023	3,643,019
Social security costs	352,844	302,637
Pension cost:		
- Contribution to defined contribution scheme	130,450	116,981
- Operating costs of defined benefit scheme	24,848	19,022
Termination costs	174,280	70,500
	4,545,445	4,152,159

The headcount number of employees in the year was:

	2020 Number	2019 Number
Administration	28	32
Care Centre	78	75
Cottages, Huntley House, works, estate and other	63	70
	169	177

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (*continued*)

Six employees earned more than £60,000 in the year (2019: four employees).

These employees' emoluments fell into the bands:

		2020 Number	2019 Number
£60,000	- £69,999	1	1
£70,000	- £79,999	1	1
£80,000	- £89,999	1	1
£90,000	- £99,999	1	1
£100,000	- £109,999	1	-
£130,000	- £139,999	1	-

Contributions to the defined contribution pension scheme in respect of these employees were £14,600 (2019: £14,656).

Reimbursed expenses do not form part of remuneration and are subject to the normal processes of internal financial control.

No trustees received reimbursement of expenses in the year (2019: none).

During the year redundancy payments of £174,280 were made (2019: £70,500).

Key management personnel of the group include Trustees, directors of the subsidiaries and the senior management team. The total remuneration of the key management personnel was £488,530 (2019: £457,928).

No trustees were remunerated (2019: none)

7 Exceptional items

	2020 £	2019 £
Write down in value of assets under construction	2,135,777	-
Restructuring costs	705,732	-
	<u>2,841,509</u>	<u>-</u>

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (continued)

8 Fixed Assets

Group	Freehold land and buildings £	Estate infrastructure £	Furniture, fittings and equipment £	Motor vehicles £	Computer equipment £	Assets under construction £	Total £
<i>Cost or valuation</i>							
At 1 January 2020	56,874,013	-	2,056,545	62,712	-	1,992,506	60,985,776
Additions	115,491	-	475,594	-	14,578	170,052	775,715
Disposals	-	-	(10,440)	-	(134,522)	(2,135,777)	(2,280,739)
Transfer	(213,352)	261,581	(353,086)	-	304,857	-	-
At 31 December 2020	56,776,152	261,581	2,168,613	62,712	184,913	26,781	59,480,752
<i>Depreciation</i>							
At 1 January 2020	6,884,527	-	1,114,376	29,016	-	-	8,027,919
Charge for the year	1,360,872	26,158	306,172	14,871	82,224	-	1,790,297
Eliminated on disposal	-	-	(10,440)	-	(134,522)	-	(144,962)
Transfer	(12,393)	26,819	(217,953)	-	203,527	-	-
At 31 December 2020	8,233,006	52,977	1,192,155	43,887	151,229	-	9,673,254
<i>Net book value</i>							
At 31 December 2020	48,543,146	208,604	976,458	18,825	33,684	26,781	49,807,498
At 31 December 2019	49,989,486	-	942,169	33,696	-	1,992,506	52,957,857

Charity	Freehold land and buildings £	Estate infrastructure £	Furniture, fittings and equipment £	Motor vehicles £	Computer equipment £	Assets under construction £	Total £
<i>Cost or valuation</i>							
At 1 January 2020	47,528,761	-	1,611,794	62,712	-	-	49,203,267
Additions	9,460,743	-	920,345	-	14,578	26,781	10,422,447
Disposals	-	-	(10,440)	-	(134,522)	-	(144,962)
Transfer	(213,352)	261,581	(353,086)	-	304,857	-	-
At 31 December 2020	56,776,152	261,581	2,168,613	62,712	184,913	26,781	59,480,752
<i>Depreciation</i>							
At 1 January 2020	6,753,693	-	1,063,656	29,016	-	-	7,846,365
Charge for the year	1,491,706	26,158	356,892	14,871	82,224	-	1,971,851
Eliminated on disposal	-	-	(10,440)	-	(134,522)	-	(144,962)
Transfer	(12,393)	26,819	(217,953)	-	203,527	-	-
At 31 December 2020	8,233,006	52,977	1,192,155	43,887	151,229	-	9,673,254
<i>Net book value</i>							
At 31 December 2020	48,543,146	208,604	976,458	18,825	33,684	26,781	49,807,498
At 31 December 2019	40,775,068	-	548,138	33,696	-	-	41,356,902

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (continued)

9 Investments

Group	Bank deposit £	Endowment fund £	2020 Total £	2019 Total £
Market value at 1 January 2020	3,518,996	5,256,004	8,775,000	8,324,655
Additions	1,955	1,260,183	1,262,138	1,144,583
Disposals	-	(1,260,183)	(1,260,183)	(1,141,982)
Net gains	-	384,510	384,510	447,744
Market value at 31 December 2020	3,520,951	5,640,514	9,161,465	8,775,000
Cost at 31 December 2020	3,520,951	4,357,613	7,878,564	7,715,258

All investments are listed on a recognised stock exchange and include cash balances held by the brokers for the purpose of reinvestment. At 31 December 2020, the cash balance was £449,114 (2019: £384,306).

The fund portfolios comprise:

Group	Bank Deposit £	Endowment fund £	2020 Total £	2019 Total £
Investment assets in the UK	3,520,951	1,693,703	5,214,654	3,778,427
Investment assets outside the UK	-	2,869,740	2,869,740	3,961,896
Cash	-	449,114	449,114	380,047
Bonds	-	627,957	627,957	654,630
Market value at 31 December 2020	3,520,951	5,640,514	9,161,465	8,775,000

Charity

In addition to the above investments, the Trust has previously invested £100 to purchase the whole of the issued ordinary share capital of Whiteley Village Services Limited, a company registered in England. The subsidiary is used to provide hospitality and other commercial services that fall outside of the charitable objectives of the parent charity. The results of the subsidiary are shown in note 3.

In addition, the Trust has previously invested £1 to purchase the whole of the issued ordinary share capital of Whiteley Homes Property C.I.C., a company registered in England. The subsidiary is used to manage the Whiteley Futures redevelopment project. The results of the subsidiary are shown in note 3.

In addition, the Trust has previously invested £2 to purchase the whole of the issued ordinary share capital of Whiteley Village Development Company Limited, a company registered in England. The subsidiary is dormant.

The Trust is also the sole Trustee of The William Whiteley Endowment Trust (formally The Whiteley Homes Trust), a charity registered in England. Under a uniting direction issued by the Charity Commission, the results and activities of The William Whiteley Endowment Trust are treated as transactions of the Trust.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (continued)

10 Sundry Debtors and Prepayment: Amount falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Amounts owed by subsidiary undertakings	-	-	-	12,308,041
Investment dividends and interest	24,878	24,246	24,878	24,246
Debtors	71,470	22,781	71,471	12,943
Other debtors	125,068	177,788	125,068	127,885
VAT recoverable	38,330	-	3,512	-
Prepayments and accrued income	93,230	77,513	93,230	77,513
	352,976	302,328	318,159	12,550,628

11 Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Amounts owed to subsidiary undertakings	-	-	310,189	-
Trade creditors	242,188	206,398	242,188	205,842
Other creditors	414,213	260,531	222,362	360,549
VAT payable	-	7,069	-	11,669
Tax and social security creditor	94,670	86,011	94,670	86,011
Accruals and deferred income	602,501	437,777	602,501	376,326
Bank loan	557,209	-	557,209	-
	1,910,781	997,786	2,029,119	1,040,397

12 Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Bank Loan	15,922,791	16,460,832	15,922,791	16,460,832

The bank loan is a twenty-year term loan repayable by 1 December 2037. The loan is fully drawn and capital repayments are due to commence in March 2021. Interest is payable on the loan based on LIBOR rates.

The loan is secured against the property at Whiteley Village, registered at the Land Registry under title number SY668629.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (continued)

13 Analysis of net assets between funds

Group (2020)	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible fixed assets	47,370,137	669,900	1,767,461	49,807,498
Investments	3,520,951	-	5,640,514	9,161,465
Net current assets / (liabilities)	(2,347,419)	1,772,282	-	(575,137)
Long-term liabilities	(15,922,791)	-	-	(15,922,791)
Pension scheme asset	697,000	-	-	697,000
Net assets	33,317,878	2,442,182	7,407,975	43,168,035
Charity (2020)	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible fixed assets	47,370,137	669,900	1,767,461	49,807,498
Investments	3,521,054	-	5,640,514	9,161,568
Net current assets / (liabilities)	(2,514,225)	1,772,282	-	(741,943)
Long-term liabilities	(15,922,791)	-	-	(15,922,791)
Pension scheme asset	697,000	-	-	697,000
Net assets	33,151,175	2,442,182	7,407,975	43,001,332
Group (2019)	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible fixed assets	50,565,270	608,383	1,784,204	52,957,857
Investments	3,478,282	-	5,296,718	8,775,000
Net current assets / (liabilities)	(964,110)	1,958,003	-	993,893
Long-term liabilities	(16,460,832)	-	-	(16,460,832)
Pension scheme asset	852,000	-	-	852,000
Net assets	37,470,610	2,566,386	7,080,922	47,117,918
Charity (2019)	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible fixed assets	38,964,315	608,383	1,784,204	41,356,902
Investments	3,478,385	-	5,296,718	8,775,103
Net current assets	10,598,329	1,958,003	-	12,556,332
Long-term liabilities	(16,460,832)	-	-	(16,460,832)
Pension scheme asset	852,000	-	-	852,000
Net assets	37,432,197	2,566,386	7,080,922	47,079,505

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (*continued*)

14 Permanent Endowment Fund

	Henry Lucas Fund £	The William Whiteley Fund £	Total £
At 1 January 2020	1,784,204	5,296,718	7,080,922
Depreciation	(57,457)	-	(57,457)
Realised and unrealised investment gains	-	384,510	384,510
	<hr/>	<hr/>	<hr/>
At 31 December 2020	1,726,747	5,681,228	7,407,975
	<hr/>	<hr/>	<hr/>

Permanent Endowment Fund (2019)

	Henry Lucas Fund £	The William Whiteley Fund £	Total £
At 1 January 2019	1,841,662	4,848,974	6,690,636
Depreciation	(57,458)	-	(57,458)
Realised and unrealised investment gains	-	447,744	447,744
	<hr/>	<hr/>	<hr/>
At 31 December 2019	1,784,204	5,296,718	7,080,922
	<hr/>	<hr/>	<hr/>

Henry Lucas Fund

In 2002 the assets of the Henry Lucas' Charity were transferred to the Trust under a Charity Commission scheme. Under the terms of the scheme the assets have been used to fund the building of a number of homes, known as Henry Lucas Cottages, capable of accommodating 32 residents.

The William Whiteley Fund

The fund is to be used to provide income for the maintenance of the property. The balance in the fund cannot be used without the agreement of the Charity Commission.

The income from this fund is used for the maintenance of the property. The fund records the net income of the group.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (continued)

15 Restricted Funds

	At 1 January 2020 £	Incoming resources £	Resources expended £	At 31 December 2020 £
HCA Grant	684,900	-	(15,000)	669,900
R Wyatt Trust	1,753,030	-	-	1,753,030
Whiteley Foundation	23,483	2,570	(8,831)	17,222
Government Covid-19 funding	-	296,727	(296,727)	-
Other Building	1,959	-	(1,959)	-
Other	103,014	625	(101,609)	2,030
At 31 December 2020	2,566,386	299,922	(424,126)	2,442,182

Restricted Funds (2019)

	At 1 January 2019 £	Incoming resources £	Resources expended £	At 31 December 2019 £
HCA Grant	699,900	-	(15,000)	684,900
R Wyatt Trust	1,753,030	-	-	1,753,030
The Eliza Palmer Hub	100,000	19,267	(119,267)	-
Whiteley Foundation	-	54,374	(30,891)	23,483
Other Building	1,959	-	-	1,959
Other	103,014	-	-	103,014
At 31 December 2019	2,657,903	73,641	(165,158)	2,566,386

The HCA grant is governed by the Framework Delivery Agreement with the Homes and Community Agency. The Trust is restricted in the disposal of those assets to which the grant was applied. Any such disposal requires the notification to and written consent of the Homes and Community Agency. The HCA grant is represented by fixed assets. The remaining restricted funds are represented by current assets.

The Whiteley Home Trust has an agreement with Richard Wyatt Trust to provide housing accommodation in Whiteley Village for the purposes of the schemes as "Richard Wyatt residents".

The Eliza Palmer Hub represent donations from a single source for the purpose of the construction of a care suite and the development of a garden in the Hub

The Whiteley Foundation for Ageing Well was created in 2017 with a forward-focused mission to research and test innovations to help older people now and in the future live better-quality lives, regardless of their personal wealth.

Government Covid-19 funding represents grants from central and local government bodies to cover the costs caused by the Covid-19 pandemic.

'Other' funds represent donations from various sources that have been restricted for the provision of housing accommodation at Whiteley Village.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (continued)

16 Unrestricted Funds

	Group £	Charity £
At 1 January 2020	37,470,610	37,432,197
Income	8,307,316	7,895,904
Expenditure	(12,291,048)	(12,007,926)
Actuarial loss	(169,000)	(169,000)
At 31 December 2020	33,317,878	33,151,175

Unrestricted Funds (2019)

	Group £	Charity £
At 1 January 2019	38,529,477	38,346,847
Income	7,933,578	7,477,662
Expenditure	(9,126,445)	(8,526,312)
Actuarial loss	134,000	134,000
At 31 December 2019	37,470,610	37,432,197

17 Operating leases

The group and the charity had minimum lease payments under non-cancellable operating leases as set out below:

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Within one year	3,978	11,934	3,978	11,934
2 - 5 years	6,961	36,377	6,961	36,377
	10,939	48,311	10,939	48,311

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (continued)

18 Pension Schemes

The Trust operates two pension schemes for its employees.

(a) The Trust operates a Group Personal Pension Plan run by Legal and General called The Whiteley Homes Trust Pension Scheme. This scheme is open to current staff and satisfies the auto-enrolment legislation. It replaced a previous defined contribution scheme in 2014

The Trust contributes varying percentages of members' pay, according to the level of contributions selected by each member and the point at which they joined the scheme.

(b) The Whiteley Homes Trust Retirement Benefits Scheme is a defined benefit arrangement which was closed to new members in 1996. It currently has only one remaining active member, in addition to retired and deferred members. The defined benefit scheme assets are invested in pooled funds managed by Scottish Widows Fund and Life Assurance Society. In addition, the scheme Trustees have purchased annuities from Scottish Widows ("the annuities") in respect of some retired members ("the insured pensioners").

The cash contributions paid by the Employer to the defined benefit scheme in 2020 amounted to a net refund of £94k, which included a £115k refund for past overpaid contributions.

(c) The employer contributed £26,398 (2019: £26,398) in respect of group life assurance for all employees.

Defined Benefit Scheme

The actuary has computed the following information about the financial position of the defined benefit scheme as at 31 December 2020.

The assumptions used are different from those adopted for the latest triennial actuarial pensions valuation as at 1 January 2016, which form the basis upon which the funding plan for the Scheme has been formulated:

	2020	2019
	£000	£000
Fair value of plan assets (including annuities)	7,101	6,895
Present value of scheme obligations (including insured pensions)	(6,404)	(6,043)
	<hr/>	<hr/>
Net asset	697	852
	<hr/>	<hr/>

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (continued)

Description of adjustments made to measure defined benefit scheme assets:

	2020 £000	2019 £000
At 1 January	6,895	6,402
Interest on assets	123	178
Actuarial (losses) gains	315	555
Company contributions	(92)	44
Repayment of overpaid contributions	115	-
Administration costs	-	(1)
Benefits paid	(255)	(283)
At 31 December	7,101	6,895

Description of adjustments made to measure defined benefit scheme obligations:

	2020 £000	2019 £000
At 1 January	6,043	5,726
Current service cost	25	23
Past service cost	-	-
Interest on obligation	107	156
Actuarial losses	484	421
Benefits paid	(255)	(283)
At 31 December	6,404	6,043

The Group expects to contribute £25,000 to its defined benefit pension plan in 2021.

An analysis by major categories of the scheme at 31 December 2020 were as follows:

	2020 £000	Proportion	2019 £000	Proportion
Index-Linked Gilts Tracker	1,900	27%	1,704	25%
UK Equity Index Tracker	1,534	22%	1,669	24%
Fixed Interest Gilts Tracker	1,745	25%	1,753	25%
Insured Pensions	1,875	26%	1,849	27%
Cash	47	1%	35	1%
Less: overpaid contributions	-		(115)	(2%)
	7,101		6,895	

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (continued)

The scheme liabilities shown above have been calculated using the following assumptions at the balance sheet date:

	2020 %	2019 %
Discount rate	1.15	1.80
Retail price inflation	3.00	3.20
Salary increase rate	4.30	4.20
Pension increases (at limited price indexation)	3.30	3.60
Consumer price inflation	2.30	2.20

Mortality follows the standard table known as S3PMA_H, using 100% for males and 105% for females (2019: 100% for males and 105% for females) of the base table with mortality projections with a long-term rate of improvement of 1.5% p.a. (2019: 1.5% p.a.) and an initial additional parameter of 0.5% p.a. (2019: 0.5% p.a.).

Assuming retirement at age 65, the life expectancy in years are as follows:

	2020	2019
For a male aged 65 now	20.3	20.2
At 65 for a male member aged 45 now	22.1	22.0
For a female aged 65 now	24.4	24.3
At 65 for a female member aged 45 now	26.1	26.0

The following components of the pension charge have been recognised in the statement of financial activities for the year ended 31 December 2020:

	2020 £000	2020 £000	2019 £000	2019 £000
Current service cost and net service cost		23		21
Administration costs	-		1	
Interest on obligation	107		156	
Interest on scheme assets	(123)		(178)	
Past service costs	-		-	
Net finance income		(16)		(21)
Total operating charge		7		-

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (*continued*)

The actual return on assets during the year was £438,000 (2019: £733,000).

	2020	2019
	£000	£000
Analysis of the actuarial (losses)/gains recognised in SOFA:		
Asset return less interest income recognised in statement of financial activities	(315)	(555)
Experience (losses)/gains on benefit obligation	-	(222)
Changes to demographic assumptions	-	(47)
Effect of assumptions changes on benefit obligation	484	690
	<hr/>	<hr/>
	169	(134)
	<hr/>	<hr/>

Sensitivity of the value placed on the liabilities

Approximate effect on liability
2020
£000

Discount rate (-0.50%)	433
Inflation (+0.50%)	158
Salary Increases (+0.50%)	9
Commutation	55
Mortality (increase long-term rate to 1.75% p.a.)	62
	<hr/>

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (continued)

19 Reconciliation of net income/(expenditure) to net cash flow from operating activities and analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Net income/(expenditure))	(3,780,883)	(894,098)
Adjustment for pension funding	(14,000)	(42,000)
Dividends, interest and other investment income	(125,420)	(107,600)
Depreciation	1,790,297	1,562,429
(Increase)/decrease in stocks	12,100	-
(Increase) in debtors	(50,648)	(35,955)
(Decrease)/increase in creditors	355,786	(287,995)
(Profit)/loss on disposal of fixed assets	2,135,777	(3,000)
Deduct gains/add back losses on investments	(384,510)	(447,744)
Net cash inflow from operating activities	(61,501)	(255,963)
	Charity 2020 £	Charity 2019 £
Net income/(expenditure)	(3,909,173)	(749,983)
Adjustment for pension funding	(14,000)	(42,000)
Dividends, interest and other investment income	(125,420)	(107,600)
Depreciation	1,971,851	1,380,875
(Increase)/decrease in stocks	12,100	-
(Increase)/decrease in debtors	2,320,472	(5,445,243)
Increase/(decrease) in creditors	431,513	33,765
Profit on disposal of fixed assets	-	(3,000)
Deduct gains/add back losses on investments	(384,510)	(447,744)
Net cash inflow from operating activities	302,833	(5,380,930)

For the year ended 31 December 2020, cash contributions made to the defined benefit pension scheme amounted to a net refund of £92,000 (2019: net payment of £44,000). The associated statement of financial activities charge comprises £21,000 (2019: £2,000) net expenditure on defined benefit pension costs under charitable activities. The trust has contributed £nil over and above the required statement of financial activity charge (2019: £42,000).

For the year ended 31 December 2020, the movement in debtors for the Charity noted above excludes the fixed asset purchase of the Eliza Palmer Care Hub from a group company. This intragroup fixed asset transaction of £9,911,997 was not settled in cash.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (continued)

20 Analysis of changes in net debt

Group (2020)	Balance at 1 January 2020 £	Cash flows £	Other Movements £	Balance at 31 December 2020 £
Bank and cash	1,673,634	(694,583)	-	979,051
Loans due within one year	-	-	(557,209)	(557,209)
Loans due after more than one year	(16,460,832)	19,168	557,209	(15,922,791)
Net debt	(14,787,198)	(713,751)	-	(15,500,949)
Charity (2020)	Balance at 1 January 2020 £	Cash flows £	Other Movements £	Balance at 31 December 2020 £
Bank and cash	1,030,384	(64,984)	-	965,400
Loans due within one year	-	-	(557,209)	(557,209)
Loans due after more than one year	(16,460,832)	19,168	557,209	(15,922,791)
Net debt	(15,430,448)	(84,152)	-	(15,514,600)
Group (2019)	Balance at 1 January 2019 £	Cash flows £	Other Movements £	Balance at 31 December 2019 £
Bank and cash	1,503,016	170,618	-	1,673,634
Loans due after more than one year	(11,151,209)	(5,309,623)	-	(16,460,832)
Net debt	(9,648,193)	(5,139,005)	-	(14,787,198)
Charity (2019)	Balance at 1 January 2019 £	Cash flows £	Other Movements £	Balance at 31 December 2019 £
Bank and cash	1,314,714	(284,330)	-	1,030,384
Loans due after more than one year	(11,151,209)	(5,309,623)	-	(16,460,832)
Net debt	(9,836,495)	(5,593,953)	-	(15,430,448)

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2020 (*continued*)

21 Related party transactions

Whiteley Homes Trust has three subsidiaries: Whiteley Village Development Company which is dormant; and Whiteley Village Services Limited and Whiteley Homes Property C.I.C. which are trading.

During the year, Whiteley Village Services Limited paid the charity for management charges of £130,971 (2019: £119,204). At 31 December 2020, the charity owed the company £155,941 (2019: the company owed the charity £10,766).

During the year, Whiteley Homes Property C.I.C. sold assets to the charity of £9,911,977 (2019: £nil) and received management charges of £nil from the charity (2019: £112,000). At 31 December 2020, the charity owed the company £154,248 (2019: the company owed the charity £12,319,079).

There were no further related party transactions.