

REGISTERED COMPANY NUMBER: 06183852 (England and Wales)
REGISTERED CHARITY NUMBER: 1120447

WOKING HOMES
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

WOKING HOMES

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WOKING HOMES

REPORT OF THE TRUSTEES **for the year ended 31st March 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal activity of Woking Homes (the Home) is the provision of living accommodation and general care of retired former railway employees and others at the discretion of the trustees. The Home is run in accordance with the Articles of Association, with the Chief Executive, Mrs S Kemp, who is appointed by the Board of Trustees, responsible for the general running and management of the Home. The Board's policy of providing a first rate retirement care home, which enriches the lives of all those who live and work at the Home, has continued unchanged throughout what has been a challenging year as a result of the coronavirus pandemic.

The charity provides high quality long term care for up to 51 people, some of whom could otherwise be dependent on the facilities provided, at considerable cost, by local authorities. There is a high demand for places at the Home and a waiting list is in operation.

In view of the pandemic and the need for some essential repairs, the Woking Homes swimming pool, which is normally used on a regular basis by the children from two local schools, Stroke-ability and three other swimming organisations, was not able to be used, but is again in regular use.

The trustees are confident that they comply with the requirements of the Charities Act 2011 regarding public benefit.

WOKING HOMES

REPORT OF THE TRUSTEES **for the year ended 31st March 2021**

STRATEGIC REPORT

Achievement and performance

Charitable activities

The Home continues to provide expert care for its many permanent and respite residents. The last year has been particularly challenging in view of the coronavirus pandemic, however we are pleased to report that our residents have remained Covid free.

Following the redevelopment of the East and West Wings of Grace Groom House in August 2010, all bedrooms are compliant with current design requirements. During 2018 the dining room was extended at significant cost to better cater for the mobility needs of our residents and work is currently underway on updating and improving some of our rooms.

Every effort is made to keep occupancy levels as high as possible, although understandably, numbers have fallen as potential residents have been cautious about entering care homes. There are however promising signs of a pick up in demand for places.

The trustees aim to ensure that the standards of care provided are maintained at the highest possible level. This is achieved by the following policies:

- Full review of all Care Quality Commission (CQC) reports and implementation of recommendations;
- Unannounced monthly visits by a trustee who then reports in general on all aspects of the Homes and in particular on an activity that is selected for intensive scrutiny. During the pandemic these have been unavoidably reduced, with some visits being made remotely;
- Maintaining an open culture which allows complaints from staff and residents to be fully investigated;
- Employment policies designed to ensure that residents' needs are paramount;
- Appointment of high calibre staff at all levels;
- Intensive staff training programme.

The trustees are extremely grateful for the loyalty and support of the staff, who are the key providers of care in the Home. They have responded magnificently to the current situation and have been key in keeping resident morale up. We know that our residents and their relatives are very appreciative and complimentary of the care they are given.

We are also very grateful for the support of the Friends of Woking Homes and the many railway staff and railway companies who continue to support the Homes financially.

Investment performance

At 31st March 2021 the portfolio was valued at £8,030,303 (2020: £6,165,914). The balance on the cash management portfolio at 31st March 2021 stands at £111,283 (2020: £330,514). During the year £nil was invested (2020: £nil) and £nil (2020: £nil) of the dividends received from the investment portfolio was reinvested.

The trustees continue to monitor the investments in conjunction with Rathbones who were appointed fund managers in 2015. The investment portfolio consists of specific shareholdings in individual companies as well as interests in pooled funds.

Financial review

Investment policy and objectives

The trustees investment policy is to invest in a spread of low to medium risk investments and to generate sufficient investment income to ensure fees to residents are kept lower than would otherwise be possible.

WOKING HOMES

REPORT OF THE TRUSTEES for the year ended 31st March 2021

STRATEGIC REPORT

Financial review

Reserves policy

It is the policy of the trustees to maintain sufficient reserves held in the form of investments so that the charity is able to subsidise the fees it charges residents with a railway connection without risking the ongoing viability of the charity. Of the total reserves of approximately £17.054 million, £5.088 million is represented by the carrying value of land, buildings and other fixed assets. Additionally £8.142 million is represented by investment assets and £3.635 million is represented by investment properties, leaving free reserves of approximately £0.190 million. The liquid reserves provide against unforeseen fluctuations in occupancy levels and unanticipated exceptional costs. The trustees are of the opinion this is sufficient to cover any short term cash flow pressures and if exceptional funds were required, investments could be realised and cash released.

Other than reserves represented by the charity's land and buildings and investments designed to generate income to keep fees as low as possible, the trustees keep sufficient reserves in a sufficiently liquid form so that they can respond to any unexpected costs or other contingency or drop in income.

Financial summary

The financial results for the year were very satisfactory, given the circumstances. Incoming resources decreased slightly to £2.200 million in 2021 (2020: £2.216 million) and net incoming resources for the year before investment gains/ losses were £23,531 (2020: £84,824).

Risk Management

The trustees have established a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity faces:
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

The work has identified that reduced occupancy levels is the major financial risk for the charity. Steps are taken to ensure that occupancy levels are maintained and additional advertising has been undertaken to increase resident numbers.

Attention has also been focussed on non-financial risks in the areas of the care, health and safety of the residents and staff. These risks are managed by having robust policies and procedures in place, and regular training for all staff. The coronavirus pandemic does, of course, create additional risks and uncertainties, which the trustees, together with the CEO continue to keep under review. The greatest risk, at this time, would be an outbreak in the Home, however there are robust policies and processes in place to protect our residents and thankfully they have remained Covid free during the pandemic.

Future plans

Woking Homes aims and objectives for the future are to sustain our highest standards of accommodation and care for our residents. We continue to train and motivate our staff to respect our residents' individuality, privacy and dignity while providing a comfortable home which is safe and secure. To further provide a safe operating environment for our staff and residents, we have completed work on providing dedicated changing rooms with showers for our staff.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, its Articles of Association, and is constituted as a company limited by guarantee, as defined by the Companies Act 2006.

WOKING HOMES

REPORT OF THE TRUSTEES for the year ended 31st March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

New trustees are recruited generally from the railway industry or from those known to possess appropriate specialist skills. In particular, care, financial, human resources and construction industry expertise is valued. It is pleasing that the Board is still able to recruit trustees who are passionate about the work of the Home and the care of the residents and are also highly qualified individuals with valuable management and people skills.

The success of the Home has been maintained because of the quality of the trustees and their dedication to the work of the Home, along with the competent management of the Home.

Organisational structure

All strategic and governance matters are decided upon by the board of trustees but the day to day management of the care home is delegated to the Chief Executive, Mrs S Kemp.

Induction and training of new trustees

New trustees are appointed by the Board for a period of up to 3 years. The appointments are then confirmed at the next Annual General Meeting. The new trustees are provided with appropriate information about the Home, its history, ethos and governance, including a copy of the Charity Commission publication "the essential trustee: what you need to know, what you need to do", and offered an opportunity to discuss the implications with the Chair. In addition, a visit to the Home, a discussion with the Chief Executive and attendance at a trustees' meeting are provided prior to accepting appointment. The normal duties of a trustee are explained, including attendance at trustees' meetings, membership of relevant subcommittees and regular inspection visits to the Home.

Key management remuneration

All trustees give of their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in notes 12 and 23 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the trustees benchmark against pay levels in other similar care homes.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06183852 (England and Wales)

Registered Charity number

1120447

Registered office

Oriental Road
WOKING
Surrey
GU22 7BE

WOKING HOMES

REPORT OF THE TRUSTEES for the year ended 31st March 2021

Trustees

Mrs S Coles (resigned 16.9.20)
Mr M Evans Chair
Mr I Christie
Mr J Elliott
Mr M Riley
Mr J Curley
Ms A Richardson (resigned 16.9.20)
Mr A L Pulfer
Mr S J Brazier (resigned 2.6.21)
Mr J M Dorward
Mr A Haddon
Mr J Martin
Mrs L Francis (appointed 16.9.20)
Mrs L Bradbury (appointed 16.9.20)

Auditors

HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

Solicitors

Blake Morgan
New King's Court, Tollgate, Chandlers Ford, Eastleigh, SO53 3LG

Investment Managers

Rathbone Investment Management Ltd
1 Curzon Street, London W1J 5FB

COMMENCEMENT OF ACTIVITIES

The charitable company was incorporated on 26 March 2007 and commenced trading on 1st October 2007. On that date it took over all the assets and liabilities of Woking Homes, an unincorporated charity number 200346, and has continued the work of the original charity.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Woking Homes for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

WOKING HOMES

REPORT OF THE TRUSTEES for the year ended 31st March 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, HPCA Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 17/09/2021 and signed on the board's behalf by:

Mark CE Evans
Mr M Evans - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WOKING HOMES

Opinion

We have audited the financial statements of Woking Homes (the 'charitable company') for the year ended 31st March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2021 and of its incoming resources and application of resources, including its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WOKING HOMES

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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

As explained more fully in the Statement of Trustees' Responsibilities, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WOKING HOMES

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- " the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- " we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, review of the charitable company's 'Register of Legal Requirements', and from our knowledge and experience of the sector;
- " we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities legislation, employment, environmental and health and safety legislation and legislation specifically applicable to the Care sector;
- " we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting relevant correspondence; and
- " identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- " making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- " considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- " performed analytical procedures to identify any unusual or unexpected relationships;
- " tested journal entries to identify unusual transactions;
- " assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- " investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- " agreeing financial statement disclosures to underlying supporting documentation;
- " reading the minutes of meetings of those charged with governance;
- " obtaining an overview of the internal procedures adopted by the client to ensure continued compliance with relevant laws and regulations, including a review of a sample of the reports from internal process audits;
- " enquiring of management as to actual and potential litigation and claims; and
- " reviewing relevant correspondence with , relevant regulators including the Health and Safety Executive, and the Care Quality Commission

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WOKING HOMES

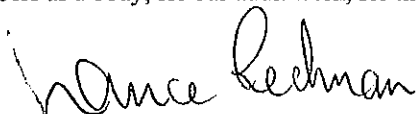
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Report of the Independent Auditors.

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 auditors' 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.



Lance Redman (Senior Statutory Auditor)
for and on behalf of HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

Date: 17 September 2021

WOKING HOMES

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) for the year ended 31st March 2021

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	18,526	-	-	18,526	21,407
Charitable activities	5					
Provision of care		1,720,726	-	-	1,720,726	1,782,415
Other trading activities	3	27,869	-	-	27,869	20,018
Investment income	4	287,225	-	-	287,225	392,416
Other income	6	146,607	-	-	146,607	-
Total		2,200,953	-	-	2,200,953	2,216,256
EXPENDITURE ON						
Raising funds	7	67,610	-	-	67,610	66,022
Charitable activities	8					
Provision of care		873,659	-	-	873,659	824,649
Catering services		298,629	-	-	298,629	294,058
Household services		301,362	-	-	301,362	290,188
Property & equipment maintenance		172,522	-	-	172,522	204,506
Vehicle running costs		30,009	-	-	30,009	28,640
Support costs		298,475	-	-	298,475	292,843
Other expenditure		135,156	-	-	135,156	130,526
Total		2,177,422	-	-	2,177,422	2,131,432
Net gains/(losses) on investments		1,689,110	-	-	1,689,110	(21,348)
NET INCOME		1,712,641	-	-	1,712,641	63,476
RECONCILIATION OF FUNDS						
Total funds brought forward		15,317,403	-	24,100	15,341,503	15,278,027
TOTAL FUNDS CARRIED FORWARD		<u>17,030,044</u>	<u>-</u>	<u>24,100</u>	<u>17,054,144</u>	<u>15,341,503</u>

The notes form part of these financial statements

WOKING HOMES

BALANCE SHEET 31st March 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	15	5,087,637	5,086,424
Investments			
Investments	16	8,141,583	6,496,428
Investment property	17	<u>3,635,000</u>	<u>3,635,000</u>
		16,864,220	15,217,852
CURRENT ASSETS			
Debtors	18	87,557	98,055
Cash at bank and in hand		<u>195,502</u>	<u>95,946</u>
		283,059	194,001
CREDITORS			
Amounts falling due within one year	19	(93,135)	(70,350)
NET CURRENT ASSETS		<u>189,924</u>	<u>123,651</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,054,144	15,341,503
NET ASSETS		<u>17,054,144</u>	<u>15,341,503</u>
FUNDS	22		
Unrestricted funds		17,030,044	15,317,403
Endowment funds		<u>24,100</u>	<u>24,100</u>
TOTAL FUNDS		<u>17,054,144</u>	<u>15,341,503</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 17/09/2021 and were signed on its behalf by:

Mark CE Evans
Mr M Evans - Trustee

The notes form part of these financial statements

WOKING HOMES

CASH FLOW STATEMENT for the year ended 31st March 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(107,536)</u>	<u>(324,959)</u>
Net cash used in operating activities		<u>(107,536)</u>	<u>(324,959)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(125,238)	(315,259)
Purchase of fixed asset investments		(1,589,014)	(709,521)
Sale of tangible fixed assets		1,150	-
Sale of fixed asset investments		1,412,481	809,970
Investment cash movements		220,488	(55,219)
Interest received		70	401
Dividends and rental income received		<u>287,155</u>	<u>392,015</u>
Net cash provided by investing activities		<u>207,092</u>	<u>122,387</u>
Change in cash and cash equivalents in the reporting period		<u>99,556</u>	<u>(202,572)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>95,946</u>	<u>298,518</u>
Cash and cash equivalents at the end of the reporting period		<u><u>195,502</u></u>	<u><u>95,946</u></u>

The notes form part of these financial statements

WOKING HOMES

NOTES TO THE CASH FLOW STATEMENT for the year ended 31st March 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	1,712,641	63,476
Adjustments for:		
Depreciation charges	122,875	115,930
(Gain)/losses on investments	(1,689,110)	21,348
Interest received	(70)	(401)
Dividends and rental income received	(287,155)	(392,015)
Decrease in debtors	10,498	4,012
Increase/(decrease) in creditors	<u>22,785</u>	<u>(137,309)</u>
Net cash used in operations	<u>(107,536)</u>	<u>(324,959)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	<u>95,946</u>	<u>99,556</u>	<u>195,502</u>
	<u>95,946</u>	<u>99,556</u>	<u>195,502</u>
Total	<u>95,946</u>	<u>99,556</u>	<u>195,502</u>

The notes form part of these financial statements

WOKING HOMES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

Exemption has been taken from preparing a cash flow statement on the grounds that the charitable company qualifies as a small charitable company.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 4% on cost
Improvements to property from 2010	- Straight line over 40 years and Straight line over 10 years
Care home assets	- 33% on cost
Motor vehicles	- 20% on reducing balance

The freehold property costs have been analysed into 3 broad categories, being: (a) the costs associated with the construction of the 2 new wings together with other ancillary works; (b) the freehold houses and flats which are separate from the main care home buildings and are rented out; and (c) the main care home buildings and site together with earlier improvement costs. The freehold flats and house have been reclassified as investment properties and are not subject to depreciation.

The costs of the new wings are being depreciated over forty years. The carrying value of the main care home site is being depreciated over twenty-five years from 2011 with an estimate of the residual land value being £2m.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is recognised in the statement of financial activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. The endowment fund is also classified as an unrestricted fund.

WOKING HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31st March 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Allocation and apportionment of costs

Costs applicable to property income generation have been allocated on the basis of percentages, after due consideration of the various costs involved and amounts attributable to rental properties.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments

Investments are included in the financial statements at their market value at the balance sheet date. Gains and losses arising on disposals and on revaluation at the balance sheet date are included in the Statement of Financial Activities. Realised gains and losses are calculated based on the difference between the proceeds and the carrying value on the first day of the year under review.

VAT

The charity is not registered for VAT and all costs are stated inclusive of VAT where applicable.

Government grants

Grants received from the UK government from the Coronavirus Job Retention Scheme (CJRS) are accounted for using the accruals model. The income has been recognised as grant income in the period to which the payroll cost relates.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Public donations	2,937	3,655
Legacies	500	310
Rail staff & company donations	<u>15,089</u>	<u>17,442</u>
	<u>18,526</u>	<u>21,407</u>

WOKING HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31st March 2021

3. OTHER TRADING ACTIVITIES		2021	2020
		£	£
Foxes income		<u>27,869</u>	<u>20,018</u>
4. INVESTMENT INCOME		2021	2020
		£	£
Investment income		136,581	184,922
Income from flats & other rentals		150,574	207,093
Bank interest receivable		<u>70</u>	<u>401</u>
		<u>287,225</u>	<u>392,416</u>
5. INCOME FROM CHARITABLE ACTIVITIES		2021	2020
	Activity	£	£
Charges to residents	Provision of care	1,698,519	1,760,626
Staff accommodation charges	Provision of care	<u>22,207</u>	<u>21,789</u>
		<u>1,720,726</u>	<u>1,782,415</u>
6. OTHER INCOME		2021	2020
		£	£
Government grants		125,009	-
CJRS grants		<u>21,598</u>	<u>-</u>
		<u>146,607</u>	<u>-</u>

WOKING HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31st March 2021

7. RAISING FUNDS

Other trading activities

	2021	2020
	£	£
Staff costs	6,615	6,235
Property expenses	<u>15,040</u>	<u>14,557</u>
	<u>21,655</u>	<u>20,792</u>

Investment management costs

	2021	2020
	£	£
Portfolio management	<u>45,955</u>	<u>45,230</u>
Aggregate amounts	<u>67,610</u>	<u>66,022</u>

8. CHARITABLE ACTIVITIES COSTS

Direct costs (note 8)

	2021	2020
	£	£
Provision of care	873,660	824,649
Catering services	298,629	294,058
Household services	301,361	290,188
Property & equipment maintenance	172,522	204,506
Vehicle & driver costs	30,008	28,640
Support costs	306,475	292,843
Other expenditure	<u>126,741</u>	<u>130,526</u>
	<u>2,109,396</u>	<u>2,065,410</u>

WOKING HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31st March 2021

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Care		
Care staff costs	797,821	682,021
Agency care staff	<u>75,839</u>	<u>142,628</u>
	<u>873,660</u>	<u>824,649</u>
Catering		
Contract costs	291,043	289,691
Sale of food	(1,343)	(4,273)
Miscellaneous	<u>8,929</u>	<u>8,640</u>
	<u>298,629</u>	<u>294,058</u>
Household services		
Laundry and household staff costs	117,092	113,093
Laundry expenses	19,759	17,495
Household and medical expenses	64,183	49,961
Light and heat	63,813	70,604
Insurances	13,849	16,529
Rates and water	<u>22,665</u>	<u>22,506</u>
	<u>301,361</u>	<u>290,188</u>
Maintenance		
General premises maintenance	114,380	134,111
Maintenance of premises - staff costs	45,997	44,919
Furniture repair and replacement	<u>12,144</u>	<u>25,476</u>
	<u>172,521</u>	<u>204,506</u>
Vehicle & driver costs		
Driver staff costs	24,694	20,955
Vehicle expenses	<u>5,315</u>	<u>7,685</u>
	<u>30,009</u>	<u>28,640</u>
Support costs		
Staff costs	223,903	206,732
Office expenses	27,678	38,318
Sundry expenditure	9,487	12,402
Advertising	11,808	7,913
Professional and accountancy	<u>25,599</u>	<u>27,478</u>
	<u>298,475</u>	<u>292,843</u>
Other expenditure		
Care Quality Commission	8,979	7,229
TV rental and licences	704	818
Staff training	2,598	6,549
Depreciation	<u>114,460</u>	<u>115,930</u>
	<u>126,741</u>	<u>130,526</u>

WOKING HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31st March 2021

10. SUPPORT COSTS

Included within support costs are the audit fee of £9,000 (2020 £8,800).

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting)

	2021	2020
	£	£
Auditors' remuneration	9,000	8,800
Auditors' remuneration - non audit	16,000	15,700
Depreciation - owned assets	114,460	115,930
Gain on disposal of fixed asset	-	-

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2021 nor for the year ended 31st March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2021 nor for the year ended 31st March 2020.

13. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	1,083,199	958,062
Social security costs	81,092	66,836
Other pension costs	51,831	49,057
	<u>1,216,122</u>	<u>1,073,955</u>

The total remuneration for key management personnel in the year was £112,698 (2020: £113,702).

The average monthly number of employees during the year was as follows:

	2021	2020
Care	39	29
Household and laundry	9	10
Maintenance	2	2
Driver	1	1
Support and administration	7	7
Foxes	<u>1</u>	<u>1</u>
	<u>59</u>	<u>50</u>

WOKING HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31st March 2021

13. STAFF COSTS - continued

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	<u><u>1</u></u>	<u><u>-</u></u>

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	21,407	-	-	21,407
Charitable activities				
Provision of care	1,782,415	-	-	1,782,415
Other trading activities	20,018	-	-	20,018
Investment income	<u>392,416</u>	<u>-</u>	<u>-</u>	<u>392,416</u>
Total	2,216,256	-	-	2,216,256
EXPENDITURE ON				
Raising funds	66,022	-	-	66,022
Charitable activities				
Provision of care	824,649	-	-	824,649
Catering services	294,058	-	-	294,058
Household services	290,188	-	-	290,188
Property & equipment maintenance	204,506	-	-	204,506
Vehicle running costs	28,640	-	-	28,640
Support costs	292,843	-	-	292,843
Other expenditure	<u>130,526</u>	<u>-</u>	<u>-</u>	<u>130,526</u>
Total	2,131,432	-	-	2,131,432
Net gains/(losses) on investments	<u>(21,348)</u>	<u>-</u>	<u>-</u>	<u>(21,348)</u>
NET INCOME	63,476	-	-	63,476
RECONCILIATION OF FUNDS				
Total funds brought forward	15,253,927	-	24,100	15,278,027
TOTAL FUNDS CARRIED FORWARD	<u><u>15,317,403</u></u>	<u><u>-</u></u>	<u><u>24,100</u></u>	<u><u>15,341,503</u></u>

WOKING HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued **for the year ended 31st March 2021**

15. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property from 2010 £	Care home assets £	Motor vehicles £	Totals £
COST					
At 1st April 2020	3,217,187	3,647,488	278,574	53,446	7,196,695
Additions	-	122,717	2,521	-	125,238
Disposals	-	-	(1,150)	-	(1,150)
At 31st March 2021	<u>3,217,187</u>	<u>3,770,205</u>	<u>279,945</u>	<u>53,446</u>	<u>7,320,783</u>
DEPRECIATION					
At 1st April 2020	1,097,011	716,670	265,833	30,757	2,110,271
Charge for year	4,808	102,667	11,244	4,536	123,255
Eliminated on disposal	-	-	(380)	-	(380)
At 31st March 2021	<u>1,101,819</u>	<u>819,337</u>	<u>276,697</u>	<u>35,293</u>	<u>2,233,146</u>
NET BOOK VALUE					
At 31st March 2021	<u>2,115,368</u>	<u>2,950,868</u>	<u>3,248</u>	<u>18,153</u>	<u>5,087,637</u>
At 31st March 2020	<u>2,120,176</u>	<u>2,930,818</u>	<u>12,741</u>	<u>22,689</u>	<u>5,086,424</u>

With effect from 1 April 2011 the freehold properties were reclassified and presented in accordance with the accounting policy outlined in note 1. From this date depreciation will be applied in accordance with this accounting policy. The residual value of the freehold property is estimated to be £2 million.

16. FIXED ASSET INVESTMENTS

	Listed investments £	Investment cash £	Totals £
MARKET VALUE			
At 1st April 2020	6,165,914	330,514	6,496,428
Additions	1,589,014	-	1,589,014
Disposals	(1,246,773)	-	(1,246,773)
Revaluations	1,522,144	-	1,522,144
Net cash movements	-	(219,230)	(219,230)
At 31st March 2021	<u>8,030,299</u>	<u>111,284</u>	<u>8,141,583</u>
NET BOOK VALUE			
At 31st March 2021	<u>8,030,299</u>	<u>111,284</u>	<u>8,141,583</u>
At 31st March 2020	<u>6,165,914</u>	<u>330,514</u>	<u>6,496,428</u>

WOKING HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31st March 2021

16. FIXED ASSET INVESTMENTS - continued

	Market value £	Book cost £
Investments in the UK	4,576,931	4,043,313
Investments outside the UK	<u>3,453,368</u>	<u>2,115,239</u>
	<u>8,030,299</u>	<u>6,158,552</u>

Cost or valuation at 31st March 2021 is represented by:

	Listed investments £	Investment cash £	Totals £
Valuation in 0	<u>8,030,299</u>	<u>111,284</u>	<u>8,141,583</u>

17. INVESTMENT PROPERTY

FAIR VALUE

At 1st April 2020
and 31st March 2021

£

3,635,000

NET BOOK VALUE

At 31st March 2021

3,635,000

At 31st March 2020

3,635,000

Following a reclassification of certain properties to investment assets the trustees arranged for them to be revalued and the financial statements were adjusted to include the properties at their open market value of £3,635,000.

WOKING HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31st March 2021

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	65,972	59,226
Other debtors	4,958	3,627
Prepayments and accrued income	<u>16,627</u>	<u>35,202</u>
	<u>87,557</u>	<u>98,055</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	25,063	25,904
Social security and other taxes	19,476	-
Other creditors	11,847	5,788
Accrued expenses	<u>36,749</u>	<u>38,658</u>
	<u>93,135</u>	<u>70,350</u>

20. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	10,400	24,207
Between one and five years	<u>-</u>	<u>6,736</u>
	<u>10,400</u>	<u>30,943</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Endowment fund £	2021 Total funds £	2020 Total funds £
Fixed assets	5,087,637	-	-	5,087,637	5,086,424
Investments	11,752,483	-	24,100	11,776,583	10,131,428
Current assets	283,059	-	-	283,059	194,001
Current liabilities	<u>(93,135)</u>	<u>-</u>	<u>-</u>	<u>(93,135)</u>	<u>(70,350)</u>
	<u>17,030,044</u>	<u>-</u>	<u>24,100</u>	<u>17,054,144</u>	<u>15,341,503</u>

WOKING HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31st March 2021

22. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	15,305,264	1,712,641	17,017,905
Designated Fund Southern Goodwill	<u>12,139</u>	<u>-</u>	<u>12,139</u>
	15,317,403	1,712,641	17,030,044
Endowment funds			
Endowment Fund	24,100	-	24,100
	<u>15,341,503</u>	<u>1,712,641</u>	<u>17,054,144</u>
TOTAL FUNDS			

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,200,953	(2,177,422)	1,689,110	1,712,641
	<u>2,200,953</u>	<u>(2,177,422)</u>	<u>1,689,110</u>	<u>1,712,641</u>
TOTAL FUNDS				

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	15,241,788	63,476	15,305,264
Designated Fund Southern Goodwill	<u>12,139</u>	<u>-</u>	<u>12,139</u>
	15,253,927	63,476	15,317,403
Endowment funds			
Endowment Fund	24,100	-	24,100
	<u>15,278,027</u>	<u>63,476</u>	<u>15,341,503</u>
TOTAL FUNDS			

WOKING HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31st March 2021

22. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,216,256	(2,131,432)	(21,348)	63,476
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,216,256</u>	<u>(2,131,432)</u>	<u>(21,348)</u>	<u>63,476</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	15,241,788	1,776,117	17,017,905
Designated Fund Southern Goodwill	<u>12,139</u>	<u>-</u>	<u>12,139</u>
	15,253,927	1,776,117	17,030,044
Endowment funds			
Endowment Fund	24,100	-	24,100
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>15,278,027</u>	<u>1,776,117</u>	<u>17,054,144</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,417,209	(4,308,854)	1,667,762	1,776,117
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>4,417,209</u>	<u>(4,308,854)</u>	<u>1,667,762</u>	<u>1,776,117</u>

The trustees have designated the donation from Southern Goodwill for the provision of transport or other special items of expenditure.

The Endowment consists of funds received on the closure of a local old people's home and funds transferred from the Martha May Armitage Charity. The income is available for use as determined by the trustees and is therefore included within unrestricted funds.

WOKING HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31st March 2021

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2021.

WOKING HOMES

DETAILED STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31st March 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Public donations	2,937	3,655
Legacies	500	310
Rail staff & company donations	<u>15,089</u>	<u>17,442</u>
	18,526	21,407
Other trading activities		
Foxes income	27,869	20,018
Investment income		
Investment income	136,581	184,922
Income from flats & other rentals	150,574	207,093
Bank interest receivable	<u>70</u>	<u>401</u>
	287,225	392,416
Charitable activities		
Charges to residents	1,698,519	1,760,626
Staff accommodation charges	<u>22,207</u>	<u>21,789</u>
	1,720,726	1,782,415
Other income		
Government grants	125,009	-
CJRS grants	<u>21,598</u>	<u>-</u>
	146,607	-
Total incoming resources	2,200,953	2,216,256
EXPENDITURE		
Other trading activities		
Wages	5,751	5,502
Social security	455	398
Pensions	409	335
Property expenses	<u>15,040</u>	<u>14,557</u>
	21,655	20,792

This page does not form part of the statutory financial statements

WOKING HOMES

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31st March 2021

	2021 £	2020 £
Other trading activities		
Investment management costs		
Portfolio management	45,955	45,230
Charitable activities		
Wages	1,077,448	952,560
Social security	80,637	66,438
Pensions	51,422	48,722
Rates and water	22,665	22,506
Insurance	13,849	16,529
Light and heat	63,813	70,604
Telephone	7,541	13,495
Printing, post & stationery	6,113	6,291
Advertising	11,808	7,913
Sundries	9,487	12,402
Agency care staff	75,839	142,628
Laundry expenses	19,759	17,495
Household & medical expenses	64,183	49,961
Catering contract & other kitchen expenses	298,629	294,058
Motoring expenses	5,315	7,685
Property & equipment maintenance	128,405	152,643
Furniture repairs & renewals	12,144	25,476
Regulatory costs & licences	9,683	8,047
Staff training	2,598	6,549
Professional and accountancy	16,599	18,678
Freehold property depreciation	4,802	5,005
Improvements to property	102,670	91,187
Plant and machinery	10,867	14,068
Motor vehicles	<u>4,536</u>	<u>5,670</u>
	2,100,812	2,056,610
Support costs		
Governance costs		
Auditors' remuneration	<u>9,000</u>	<u>8,800</u>
Total resources expended	<u>2,177,422</u>	<u>2,131,432</u>
Net income before gains and losses	23,531	84,824
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>165,708</u>	<u>654,615</u>
Net income	<u><u>189,239</u></u>	<u><u>739,439</u></u>

This page does not form part of the statutory financial statements