

WICKHAM COMMUNITY LAND TRUST

England & Wales · Charity number 1134897

Details

Status Registered

Legal form Charitable company

Company number [06608621](#)

Registered 2010-03-12

Register [View on the Charity Commission register](#)

Contact

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The Square
Wickham
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Website www.wickhamclt.org.uk

Activities

Objects: 3.1.1 THE PROVISION OF HOUSING TO RELIEVE FINANCIAL HARDSHIP; AND 3.1.2 TO PROMOTE SUCH OTHER CHARITABLE PURPOSES AS MAY FROM TIME TO TIME BE DETERMINED SUBJECT TO THE PRIOR WRITTEN CONSENT OF THE CHARITY COMMISSION.

Activities: The Trust aims to provide affordable housing in Wickham to relieve the financial hardship of eligible beneficiaries living in the village, surrounding area or employed in the area. It aims to do so by providing homes for intermediate rent or shared ownership and by holding that property for the long term public good so that it will be available both now and for subsequent generations.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Accommodation/housing, Economic/community Development/employment
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL
- Hampshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£211,299	£138,804	-	-
2024-03-31	£147,184	£147,296	-	-
2023-03-31	£92,862	£82,463	-	-
2022-03-31	£50,427	£37,371	-	-
2021-03-31	£73,000	£65,220	-	-

Trustees

Name	Role	Appointed
NIC HOLLADAY	Chair	
DAVID RODERICK THOMPSON		
David John Peters		2022-09-15
Geoffrey Phillpotts		
REV ANTHONY JAMES SMITH BA, FCA		2014-07-28
Rev Fiona Grove		2025-11-24
Sara-Jane Chivers		2023-09-10
Wendy Elizabeth Greenish		2019-09-23

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Accounts

Wickham Community Land Trust

A Registered Charity

and Company Limited by Guarantee

Annual Report and Financial Statements

for the year ended 31 March 2025

Company Registration Number: 06608621 Registered Charity Number: 1134897

Registered Office: Byrne Runciman,

The Square, Wickham, Fareham, Hampshire P017 SJT

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Wickham Community Land Trust

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Trustees' Report & Financial Statements for the year ended 31 March 2025

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DIRECTORS' REPORT

The directors present their annual report and the financial statements for the year ended 31 March 2025.

1. PURPOSES OF THE CHARITY

1.1 Purposes as set out in Wickham Community Land Trust's governing document

The charity's purposes are set out in the objects in the Company's Memorandum of Association, as follows:

- The provision of social housing and housing to relieve financial hardship
- To promote such other charitable purposes as may from time to time be determined subject to the prior written consent of the Charity Commission.

Wickham Community Land Trust (WCLT) is dedicated to the provision of affordable housing in Wickham to relieve the financial hardship of eligible beneficiaries living in the village, surrounding area or with employment in the area; holding the property for the long term public good and protecting it from the damaging effects of asset price inflation and speculation and thereby enabling the provision of affordable housing now and for subsequent generations.

Note: Where the term "Wickham" is used in this report, it refers to the civil parish of "Wickham and Knowle".

1.2 Summary of activities in support of the purposes

- Manage the business of the Trust in such manner as to cover costs and, as a not-for-profit organisation, to re-invest for maintenance of the properties
- Maintain and run our properties in such a way that they can remain a long-term public benefit, contributing to the sustainability of this community
- Manage the on-going movement of residents into and out of the properties so that the homes remain a benefit to those who qualify to occupy them on grounds of need
- Maintain the affordable nature of the accommodation
- Retain the freehold of the properties in accordance with the charitable aims of WCLT to provide asset lock
- Pursue opportunities to further meet WCLT's charitable objectives through the provision of additional affordable homes in the vicinity, working in cooperation with Winchester City Council and Homes England
- Monitor and review the charity's performance against its charitable objectives on a regular basis.

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1.3 Summary of Activities in relation to public benefit

- WCLT's main focus is on providing housing for those who cannot afford, from their own resources, to buy or rent a home on the open market
- The housing of those living in situations inadequate or unsuitable for their needs, regardless of their age, sex, marital status or any other differentiator
- The housing of families living in overcrowded conditions by virtue of inability of young adults to find alternative affordable homes
- Housing those who lose their open market rental homes because of sale or increased rent
- The housing of key workers serving the local area
- Provision of housing to a number of households with local connection enabling them to receive support from their families (e.g. childcare) or to provide support to family members who need help (e.g. to elderly relatives)
- Shorter journey times for those residents with work in the local area.

WCLT is not aware of any detriment or harm arising from the organisation's aims.

1.4 Benefit to a section of the public

The public which benefits from our work is made up of a cross section of age groups unable from their own resources to afford a home on the open market.

Eligibility for housing

Selection criteria for applicants include housing need, inability to afford property to buy or to rent on the open market, the ability to meet the affordable rent/mortgage outgoings on a WCLT home, suitability of the homes WCLT has available to meet the applicants' needs and local connection (see Geographical Restriction below).

Geographical Restriction

WCLT serves the geographical area of Wickham in Hampshire, its adjoining parishes and the administrative area of Winchester City Council, in that order of priority. Being an attractive village within reach of three cities, Winchester, Portsmouth and Southampton, Wickham's house prices, both for purchase and rent, are high and beyond the means of many people from this specific vicinity who wish to be able to live in the community from which they come or in which they work.

1.5 Identifying Public Benefit

The impact of our achievement goes wider than those families we house, and its public benefits include the following:

- A reduction in the number of people seeking affordable housing in the area.
- A reduction in local barriers to housing
- An increase in housing stock available for affordable homes
- Increased availability of local accommodation for key workers serving the local area
- A reduction in distances between home and workplace for people working in the

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area

- The retention of assets within the local community for public benefit, providing a long-term asset lock.

1.6 Private benefit

No-one receives any private benefit from WCLT.

1.7 Directors' Public Benefit Statement

The Directors of WCLT confirm that in drawing up this report they have been aware of their duty to report on public benefit and have paid due regard to the Charity Commission's guidance in this respect.

1.8 Contribution made by volunteers

WCLT has no employees. All work undertaken by directors and our part-time bookkeeper, Mrs Brenda Farrow, is undertaken on a voluntary basis.

1.9 Additional Information

WCLT employs a Managing Agent for its rental properties. While the selection process of suitable eligible persons to occupy its properties remains under the control of WCLT, once that process is complete the Managing Agent deals with the collection of rent and service charge and manages repairs. However, WCLT remains closely involved in management issues and directly manages the shared ownership properties.

2. ACHIEVEMENTS AND PERFORMANCE

2.1 Quantitative and Qualitative Information

At the end of this financial year the number of persons housed by the Trust was 43 individuals (adults and children) who qualify under the categories outlined in 1.3 above.

There were no changes in tenant occupation during the year. There were no void periods.

A formal tenant satisfaction survey was not carried out during the year, but feedback received at resident meetings and regular contact remains positive. Details of the Trust's performance regarding complaints, health and safety, repairs and maintenance are included with this Report (see Appendix). The information is set out in the format required by the Regulator of Social Housing.

2.2 Meeting the Social Housing Regulator's Standards

Directors continue to use the Regulator's Economic and Consumer Standards as points of reference for measuring our service-delivery.

2.2.1 Governance and Financial Viability Standard

WCLT's Code of Practice and Financial Viability, based on the standard, sets out the

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fundamental values which underpin WGLT's practice and ensures that it:

- a) meets the Regulator's standard and
- b) conducts its business in an effective, transparent and accountable manner.

The Board certifies its compliance with the standard during the course of 2024/2025.

2.2.2 Value for Money Standard (VFM)

The WCLT Board regularly reviews all areas of its operation to look at opportunities for reducing costs or securing additional income in line with its Value for Money Policy.

The voluntary time of Board Members in running the organisation "hands on" is a key contributor to constraining costs as well as providing a responsive service. Examples include our financial and administrative returns, lettings, management of shared ownership properties, financial management and reporting. The Board recognises that, as WCLT grows, additional paid administrative and financial resources will be required, and future projects include financial provision for such additions. The Trust has ownership of 18 affordable properties at the end of the financial year. If further properties are acquired beyond this level, it will be necessary to put into place more formal arrangements, probably requiring part-time employment.

The Board recognises that maintenance costs are increasing as properties acquired in 2012 age and has increased budgetary provision in its plans for future years.

In April 2018, the Regulator of Social Housing published new standards to Registered Providers by which to establish comparative Value for Money metrics. While these are a useful tool generally the Board is aware that, being a relatively small provider, such metrics have to be used with caution and broad comparisons are not reliable.

The Board feels that the following are relevant measures, and we present our performance evaluation against each parameter:

		2024/25	2023/24
Metric 3	Gearing	0.37	0.41
Metric 4	EBITDA MRI interest cover	2.15	1.24
Metric 5	Social Housing cost (per unit owned)	£3,269	£3,711
Metric 6	Operating Margin	0.61	0.54
Metric 7	Return on Capital Employed	0.04	0.03

2.2.3 Rent Standard

WCLT is exempt from this standard for its provision of housing for intermediate rent, the Board refers to the Regulator's Guideline Limit in its rent review, as recommended in the standard and In 2024/25 WCLT applied a rent increase of 7.7% to its 4 intermediate rent properties.

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WCLT applies the standard to its 10 affordable rent properties and in 2024/5 applied a rent increase of 7.7% to its 10 affordable rent properties. It applied the increase set out in the lease for the 4 shared ownership properties of 5.2% in order to maintain affordability, although the Rent Standard guideline would have allowed higher increases. The Trust, while needing to be prudent due to continued pressure of higher than originally modelled interest rates and inflation was mindful of the economic strain on tenants' budgets as a result of the "cost of living crisis". However, the Trust is pleased to note that its forecast interest rate projections included in its annual budget were close to those that actually prevailed and so performance against budget was highly acceptable.

The ten new properties acquired in FY 23 are affordable rent properties governed by the Rent Standard and also the terms of an s106 agreement which pegs them to rents equal to Local Housing Allowance (unless a specific exception is made).

2.2.4 Home Standard

- i) Quality of accommodation: WCLT's 8 homes in Houghton Gardens meet the Government's Decent Homes requirement and also Sustainability Code 3 and Lifetime Homes criteria. The 10 homes in Wykeham Vale meet current Building Regulation and the Government's Decent Homes requirements.
- ii) Repairs and Maintenance: WCLT is responsive to matters of ongoing repair and maintenance.

2.2.5 Tenant Involvement and Empowerment Standard

WCLT convened a meeting with residents of Houghton Gardens on May 1st 2025 and with residents of Wykeham Vale on May 14th, 2025 to disseminate information, explain charges and to capture residents' views and respond to any of their concerns. 40% of our residents were represented.

WCLT's Managing Agent also visits tenants in their homes. All tenant reviews remain positive and feedback in respect of WCLT performance has also been positive. Those tenants reaching the completion of their sixth year in residence have renewed their tenancies. WCLT will continue to take account of tenants' views in monitoring its performance as a landlord.

2.2.6 Neighbourhood and Community Standard

In managing its current portfolio WCLT works with Hyde Group, the Wykeham Vale Management Company, Aster Homes, Wickham Community Association, Winchester City Council and Wickham Parish Council in respect of grounds maintenance, street lighting, access roads and community issues.

2.2.7 Tenancy Standard.

WCLT continues to adhere to the Tenancy Standard for setting appropriate rents for its properties and any issues that arise.

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2.3. Achievements against objectives set

The objectives of the Trust were reviewed during the year and the Board agreed that they were still valid and should be carried forward into the next planning period 2025 - 2026. Satisfactory progress was achieved in all the ongoing management objectives.

The prior year (2023/24) saw the Trust struggle against the effects of high interest rates but these ameliorated as forecast in 2024/25 and the CLT, aided in addition by the exercise by one shared ownership tenant of the right to increase their equity (from 50% to 80%), returned a positive financial outcome for the year. The Board has again agreed a conservative budget for 2025/26 that assumes that there will be two minor cuts in rates during the year and cash flow will remain positive. Reserves remain healthy and the Board is confident any external financial shocks that may arise can be managed.

3. FINANCIAL REVIEW

The financial statements have been prepared in accordance with the Housing SORP 2018.

Under this SORP the capital grant from Homes England used for the purchase of homes in Houghton Gardens, is classified as deferred income in the Balance Sheet with a proportion being taken each year to the Income and Expenditure account.

Also, under this SORP, the Income and Expenditure account is titled the Statement of Comprehensive Income, and the Balance Sheet is called the Statement of Financial Position. In addition, we have included a Statement of Cash Flows.

The principal financial management policies in force are WCLT's Financial Controls Policy, Monitoring and Review Policy and WCLT's Reserves Policy.

3.1 Financial position at the end of the period

We are reporting a surplus for the year of £72,495 (2024 deficit of £112).

The Trust's operating performance in this financial year has been consistent with prior years. The cash position at the end of the year was strong and exceeded expectations as a result of a cash infusion of £97,020 resulting from the capital receipt of funds arising from the increase in shared ownership equity by one tenant. However, as the property concerned was subject of grant by Homes England, a proportion of that cash receipt (£44,016) has to be repaid. It is possible under the terms of the grant to utilise the amount to be repaid in the acquisition of new assets meeting our charitable purposes or by applying the cash to improvements to existing assets. The Trust Board has decided, with the agreement of Homes England, to invest in new solar renewable energy assets for existing intermediate rent tenants in order to take advantage of this possibility. Nevertheless, because the use of these funds will not take place until FY 2025/26 the full amount of the quantum received is included in the financial results for 2024/25. It should be noted that the underlying operational performance of the Trust in the year, quite separately from the one of capital benefit gained from the equity payment, was strong and would have returned a surplus of (£11,236) had the equity cash receipt not been received. This result illustrates the Trust's ability to establish accurate financial forecasts for the business which has followed a consistent trend over the 13 years since the start of operations. The accounts record a free cash position of £215,616 at the end of the year leaving the Trust in a very healthy position going forward.

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3.2 Reserves

WCLT's Reserves Policy states the Trust's intention to hold reserves to the equivalent of at least 6 months of normal operating costs in order to:

- ensure continuity in meeting the needs of beneficiaries and the Charity's financial obligations
- ensure the Charity can bridge cash flow problems in periods of changeover when beneficiaries leave or move into properties or rental income drops at such times maintain and develop its charitable activities.

In line with Charity Commission guidance this policy was reviewed in July 2024 and will be reviewed annually.

As at 31 March 2025 the Trust held reserves of £401,779 (2023: £329,284). The reserves held at the end of the Financial Year are the equivalent of 77 months' operating expenditure.

3.3 Principal Funding Sources

3.3.1 Lenders

Lenders in the period were as follows:

- Charity Bank
- Winchester City Council
- Hyde Group
- Triodos Bank

3.3.2 Donations

Donations in the period amounted to £245 (2024 £725)

3.4 Rental Income

Rental Income of £141,666 from the 14 rental properties and 4 shared ownership properties has provided a steady income throughout the financial year, There were no void periods.

3.5 Expenditure

3.5.1 WCLT has continued to be cautious with its expenditure and at the end of the period finances remained healthy. The year showed an operating surplus of £149,657 (2024 £78,571)

3.5.2 Maintenance costs were lower than we had budgeted because the Board had anticipated a steady increase in costs for the older properties in the portfolio that did not in fact arise. The Board has a long-term plan for replacement costs, and these are incorporated into future budgets as the Board continues its cautious approach to property maintenance requirements of its older properties.

3.5.3 All payments are governed by WCLT's Financial Controls Policy and any repayment of expenses to directors is made according to the regulations laid down in that policy.

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3.6 Risks

3.6.1 The Trust, by the very nature of its business model, is dependent on rental revenues and on external financing, and thus always remain exposed to potential increases in interest rates. Risks are re-assessed at each Board meeting and increases in interest rates remain the single most significant risk to the business. As always, it will be essential for the Board to maintain good communication with, and the confidence of, our lenders. Fortunately, the value of our assets, in excess of £2mil, should be sufficient for our lenders to feel that their positions are sufficiently secure.

3.6.2 Succession planning features in the Trust's regular risk appraisal. The Board has a very effective range of qualifications, skills and experience but realises that it must constantly look to keep these fresh and well-suited to the voluntary nature of its work.

3.6.3 The Board is sorry to report the resignation of Andrew Robinson from the Board after the end of the fiscal year. Andrew is exceptionally busy in his senior role as a serving naval officer: both he and the Board would happily see Andrew return to the Board as and when it is possible for him so to do.

3.6.4 The voluntary affordable homes sector is dependent on support from the government. The Trust has benefitted in past years from the availability of the Community Housing Fund (CHF). Despite the national need for affordable housing, the availability of funds to support organisations providing community led solutions continues to be disappointing. The Trust continued during 2024/25 to support the National Community Land Trust Network in lobbying ministers and MPs in support of its campaign to make more secure funding sources for CLTs.

3.6.5 The Government has absolved Community Land Trusts from the right to buy that affects other forms of affordable housing provider. If this were to change it would impact the Trust's charitable objects and so this risk is constantly under review.

3.7 Investment

As part of the original loan terms with Charity Bank, WCLT has £9,025 (2024: £8753) in a Charity Bank Deposit Account. Although Charity Bank has been sufficiently satisfied with the soundness of WCLT's performance to lift this condition WCLT chooses to retain this deposit.

3.8 Fundraising activities

Donations from a small number of "Friends of Wickham Community Land Trust" were received.

3.9 Events subsequent to this report period

3.9.1 The two rent reviews conducted in the year, one for the rental properties and one for the shared ownership homes in Houghton Gardens, were conducted in the last quarter of this report period, with implementation following in the subsequent reporting period.

3.9.2 There have been no significant financial post-reporting events affecting the business aside from that following the equity increase executed by a shared ownership tenant as reported in 3.1 above. One of the interest rate cuts anticipated in the Trust's budget for 2025/26 has already been realised, and is benefitting the financial position.

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3.9.3 WCLT monitors all legislation relating to health, safety and housing standards for tenants to ensure its procedures, policies and practices are compliant and meet/exceed statutory standards,

3.10 Plans for the forthcoming year

In addition to the ongoing management of WCLT's existing properties, the Trust's activities in 2025/2026 will be concentrated on:

3.10.1 Ensuring that risks related to interest rates and increases in costs of maintenance are kept under close scrutiny and action taken promptly and as appropriate.

3.10.2 Ensuring that new statutory and regulatory responsibilities are understood and complied with

3.10.3 Ensuring that latent plumbing defects that the Trust and its Managing Agent are resolved in a lasting manner and that if possible, compensation obtained for unforeseen expenses incurred in FY 2024/25.

3.10.4 Finalising discussions with Homes England, the appointed developer (presumed to be Taylor Wimpey) and Winchester City Council to enable acquisition when completed of 20 further homes on a Homes England site ("Ravenswood") at Knowle within the civil parish. The Trust's participation will be dependent on the accessibility of enabling finance.

3.10.5 Maintaining WCLT's excellent working arrangements with the managing agent, the City Council and the management companies responsible for common areas of sites on which its properties are situated.

3.10.6 Addressing issues of scaling up to deal with potential portfolio expansion and recruiting extra trustees to cover increased workload and/or to employ a member of staff to assist with the increased administrative work.

3.10.7 The Trust will continue its campaign to inform more widely local people of the Trust's work and build further the Friends network. It will work to increase the likelihood of significant donations from local people to support its work

4. STRUCTURE, GOVERNANCE AND MANAGEMENT

4.1 Governing Document

Wickham Community Land Trust (WCLT) is registered in England and Wales as a Company Limited by Guarantee with charitable aims, with the governing documents being Memorandum and Articles of Association. It was registered as such on 2nd June 2008.

4.2 Legal Definition

WCLT meets the legal definition of a community land trust as defined by the Housing & Regeneration Act 2008 Act.

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4.3 Members and Membership

Subscribers to the Memorandum and Articles of Association were the first members of the Charity. Membership is open to other individuals or organisations who apply to the Charity in the form required by the Directors and who are approved by the Directors. The Board hopes to recruit new members in this way as part of its succession planning.

There is one class of membership.

Persons with Significant Control: WCLT keeps a register in which to record such but at present the position is Nil.

In accordance with our Conflicts of Interest Policy all directors are required to complete annually a Register of Interests.

There have been no changes to the composition of the Trust Board during the year.

Any local authority appointments should be maintained at less than 20% of the total board. There are currently no LA appointments represented on the Board.

4.4 Director Induction, Training and development

Directors are provided with a Trustee Role Description and asked to sign a Trustee Code of Conduct and to complete a Declaration in respect of Individual Voluntary Arrangements, bankruptcy and unspent convictions. All directors have a copy of the Charity Commission publication "The Essential Trustee: what you need to know". Updates in the Charity Commission's Newsletters are disseminated to Directors during the year.

Suitable opportunities for development through attending courses, conferences or seminars are identified and supported at Board level.

4.5 Organisational and Structural Matters

4.5.1 Day to Day Management

The day-to-day management of WCLT is undertaken either by an executive committee or by the Housing Sub-Committee. The executive committee consists of the Chairman, Nicol Holladay, the Company Secretary, David Peters, and the Vice Chairman, Geoffrey Phillpotts, with involvement of the Finance Director where relevant. The Housing Management Sub-committee is made up severally of Geoffrey Phillpotts, David Thompson, David Peters, Wendy Greenish and Sara-Jane Chivers to deal with individual housing matters and the allocation of properties. Other directors according to their skills and roles are called on as per actions agreed at meetings. Directors are regularly updated on current issues at the board meetings and all major and policy decisions are taken by the Board.

4.5.2 Code of Practice

WCLT has its own Code of Practice and Financial Viability, based on that of the Housing Regulator's Standard, which the Board deems appropriate to the organisation's size and role as a non-profit registered provider.

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4.5.3 Code of Governance

WCLT has its own Code of Governance based on that of the Charity Commission. Both this and the Code above set out the fundamental values which underpin WCLT's operation and against which the Board can assess the effectiveness of its governance arrangements and operation.

4.5.4 Tenancy

WCLT's **master tenancy documents** are in line with current legislation as they stand at the end of FY 2024/25.

4.5.5 Asset Register

WCLT manages its resources prudently to ensure its viability and actively assesses and manages risk. While our properties have not been revalued in the accounts (see accounting policy h), a valuation carried out in April 2018 at the behest of Charity Bank showed that all the eight properties in Houghton Gardens have a market value well in excess of cost and these market values have been noted in the asset register. Properties in Wykeham Vale were independently valued as part of the purchase process and their market values remain well ahead of their purchase cost.

4.5.6 Data Protection

In line with current legislation on GDPR WCLT has audited the data it handles. It has published its Privacy Policy, and the Board receives a Data Protection report at its meetings.

4.5.7 Risk Management

Consideration of WCLT's Risk Appraisal is led by Trustee David Thompson and embedded as a regular item in Board Meetings and the Board is satisfied that WCLT's consideration of risk is sufficiently informed to encompass consideration of both internal and external matters and that WCLT has complied with regulatory requirements to date and will continue to do so in the foreseeable future.

4.5.8 Insurance

WCLT's cover provides for Directors' and Officers' Liability Insurance, Public and Products Liability Insurance, Property Owners' Liability Insurance and Buildings Insurance. WCLT holds NHBC certification for all its eighteen properties.

4.5.9 Legal

4.5.9 1 New tenants are initially offered our Starter Only Assured Shorthold Tenancy, and progress to a five-year Fixed Term Assured Shorthold Tenancy after a satisfactory probationary period.

4.5.9 2 Shared Ownership Agreements are based on the Homes England Model Lease for Protected Areas, with stair-casing restricted to 80%.

4.5.9 3 Our tenancy agreements are reviewed and endorsed by our legal advisers.

4.5.9.4 Registered Office: no change.

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4.6 Relationships with related parties

4.6.1 Charity Commission

WCLT is a registered charity (registration 12th March 2010). WCLT submits an Annual Return to the Charity Commission and is in receipt of its informative Quarterly Newsletters.

4.6.2 Homes England and Regulator of Social Housing

WCLT is registered as a non-profit private registered provider of social housing with the regulating body. WCLT in terms of regulation counts as a small provider. As a Registered Provider WCLT reports to and receives advice from the regulator and submits its Statistical Data Return under NRosh+.

WCLT, through its own policy documents and processes, both seeks to meet the regulator's Economic Standards and to reflect its Consumer Standards. These underpin WCLT's operations and throughout this financial period WCLT has sought to maintain and review its performance against these operating standards.

4.6.3 Hyde and Aster Housing Associations

With WCLT owning eight of its current portfolio of properties on a shared site with Hyde Housing Association and a further 10 on a site where Aster owns 22 properties communication between us is important.

The working relationship between WCLT and Hyde's local housing management team is in essence co-operative and effective. The relationship with Aster has always been good and remains so.

Communication with Hyde Group's centralised departments can be more difficult. WCLT strives to keep the channels of communication open and after some useful exchanges marked improvement in the early part of FY 2024/25 has not been maintained despite the best efforts of the Secretary. The Trust maintains ring-fenced funds within its accounts to ensure liabilities once agreed and correctly received are payable with immediate effect.

4.6.4 Wykeham Vale Management Company and Croudace

As part of the arrangements for the purchase of homes in Wykeham Vale, the Trust entered into a joint agreement with Croudace and Aster Homes for the management of common areas in the development. The arrangement took full effect in 2023/24 making all tenants members of the management company. The two outstanding issues requiring resolution with Croudace carried over from FY 2023/24 have been partially resolved. The location of the northern boundary of Wykeham Vale has been agreed and the location altered on the ground; however, this change has not yet been incorporated into the legal documentation. Agreement has been reached regarding the installation of bollard street lighting on the perimeter of the site parts of the site and work is due to start in FY 2025/26 and indeed has begun. Croudace has accepted to pay the costs of these arrangements.

4.6.5 Winchester City Council (WCC)

WCLT's relationship with Winchester City Council continues to be supportive of the CLT's aims.

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4.6.6 National CLT Network (NCLT)

WCLT is a member and both benefits from this membership and actively supports the NCLT in its work.

4.6.7 Information Commissioner and the Housing Ombudsman

WCLT is registered with the former in respect of Data Protection and, as a provider of social housing, is registered with the Housing Ombudsman Service. The Ombudsman now has a statutory code which came into force in April 2024.

4.6.8 Wickham Parish Council

WCLT maintains its links with Wickham Parish Council with communications with the Clerk to the Parish Council and individual councillors and exhibited at the Parish Assembly in May 2024.

4.6.9 Hampshire Home Choice

The Trust retains its separate rights under agreement with Winchester City Council to allocate its properties to qualifying tenants and advertises vacancies through Hampshire Home Choice so qualifying applicants can apply.

4.6.10 Byrne Runciman

The Trust's managing agent for rental properties. The firm collects rents from rental properties and is the first port of call for rental tenants for assistance and arranges repairs. The relationship between the Trust and Byrne Runciman continues as strongly as ever and they provide great assistance to the Trust. The relationship is an excellent example of local businesses working together for the good of the community.

Wickham Community Land Trust

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5 REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Charity Name: Wickham Community Land Trust

Charity Registration Number: 1134897

Homes England Registered Provider: 4692

Company Registration Number: 6608621

Registered Office and operational address: Byrne Runciman, The Square,
Wickham, Fareham, Hampshire PO17 5JT.

Correspondence address: P.O. Box 739, Fareham, Hants, PO14 9RH.

Board of Directors (as at September 2025):

Mr N A Holladay	Chair
Mr G S Phillpotts	Vice Chair
Rev. A Smith	Finance Director
Mr D Peters	Trustee and Company Secretary
Ms S-J Chivers	Trustee
Mr E Fitzgerald	Trustee
Mrs W Greenish	Trustee
Mr D R Thompson	Trustee

Changes in Board of Directors

Capt A Robinson, RN Resigned March 2025

Bankers: NatWest, 52, West St., Fareham, Hants PO16 0JX

Legal Advisers: Anthony Collins LLP, 134, Edmund Street, Birmingham B3 2ES

Auditors: Rothmans Audit LLP, Avebury House, St Peter Street, Winchester, SO23 8BN

Chartered Surveyors: Chandler Hawkins, 14, Landport Terrace, Southsea PO1 2LG

Managing Agent: Byrne Runciman, The Square, Wickham, Hampshire, PO1 2LG

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6 FUNDS HELD AS CUSTODIAN TRUSTEES

6.1 WCLT levies certain monthly charges from their tenants:

- i) Service charges for Maintenance and Sinking Fund together with an administrative and accounting costs fee
- ii) Estate Service Charge for grounds maintenance at Houghton Gardens undertaken by Hyde Housing and payable to them on invoice. There is a collection fee associated with this.

6.2 As custodian of funds held on behalf of others, WCLT has two Client Accounts in which to deposit sums related to i) and ii) above:

- i) Sums related to the General Service Charges and Estate Service Charges are paid into a current account.
- ii) Contributions collected for the Sinking Fund are placed in an interest-earning Business Reserve Account.

6.3 General Service Charge. WCLT, in its review of rents and service charges in February 2024 decided again to increase the levy rate for Sinking Fund to allow for inflation. This increase of the General Service Charge came into effect from May 2024.

6.4 Estate Service Charge:

- i) These are made in conjunction with fees charged to the Trust by Hyde Housing. Communication with Hyde regarding these charges is operating reasonably smoothly.
- ii) The Trust makes adequate provisions to meet the charges which are communicated to us and after various corrections that need to be made, annual costs are agreed and paid. The Board regards that, after several years' experience, budgets are predictable, provisions are adequate, and expenditure is under financial control.
- iii) The Trust has made provision to cover the costs of WV estate charges not yet levied.

7 CONCLUSION

WCLT reports another year of good performance. The Trust has concentrated on managing its properties as well as possible for the individual residents and with regard to the long-term aims of the Trust. From a sound financial base, WCLT continues to deliver community-led ownership of affordable properties for the benefit of local people.

WCLT is very grateful for the support of local people and those organisations with which we have worked over the last few years. We particularly appreciate the good and sometimes special working relationships with these supportive organisations.

Sincere thanks are due to the directors and our highly efficient bookkeeper, all of whom have given their time and expertise generously and voluntarily to push WCLT's goals forward. WCLT is grateful to all who are keen to continue into next financial year.

Finally, the Board pays tribute to its tenants in an expanding portfolio of affordable homes: we are proud of them, and we are delighted that we have been able to provide affordable homes for them in our community.

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STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors 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 these financial statements, the directors are required to:

- ensure continuity in meeting the needs of beneficiaries and the Charity's financial obligations
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Housing SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022. 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 directors are aware:

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.



David Peters

Director and Company Secretary, 29th September 2025

Wickham Community Land Trust

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Independent Auditor's Report to the Members of Wickham Community Land Trust

Opinion

We have audited the financial statements of Wickham Community Land Trust (hereinafter "The Trust") for the year ended 31 March 2025 which comprise the Statement of Consolidated Income, the Statement of Financial Position, the Cash Flow Statement, the Statement of Changes in Reserves and notes to the financial statements, including 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 Trust's affairs as at 31 March 2025, and of its income and expenditure, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

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 Trust 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 board's 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 association'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 board with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the

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financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

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

Opinion on other matter prescribed by the Companies Act 2006

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

- information given in the directors' report for the financial the year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions as not been maintained.

Directors' responsibilities

As explained more fully in the directors' responsibilities statement set out on page 16, the directors (who are also the trustees 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 directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, the directors are responsible for assessing the Trust'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 directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The objectives of our audit, in respect to fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance of the entity and management.

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:

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures include the following:

- 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 obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and those laws and regulations that had a direct effect on the financial statements;
- 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 Trust, including FRS102, the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022; and
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence and the 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 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

Wickham Community Land Trust

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- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

We identified the greatest risk of a material impact on the financial statements from irregularities, including fraud, to be within the recognition of income and the override of controls. To address the risk of fraud in these areas, we:

- Selected a sample of transactions from material income streams and compared expected income to that recorded within the financial statements;
- Performed procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions; 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;
- Enquiring of management as to actual and potential litigation and claims;
- Reviewing correspondence with relevant regulators, including Homes England and the Regulator of Social Housing and the company's legal advisors; and
- Reviewed legal and professional expenditure incurred in the year.

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

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

Use of our Report

This report is made solely to Wickham Community Land Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Trust'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 association and the Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lisa Wilson FCA (Senior Statutory Auditor) -----
For and on behalf of Rothmans Audit LLP
Chartered Accountants and Statutory Auditors
Avebury House, St. Peter Street, Winchester, Hampshire, SO23 8BN

Date: 30 September 2025

Wickham Community Land Trust

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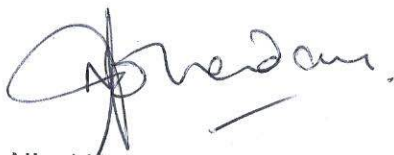
Charity Number: 1134897

**Statement of Comprehensive Income
For the year ended 31 March 2025**

		2025	2024
	Note	£	£
Turnover	2	152,512	145,362
Operating expenditure	2	(58,847)	(66,791)
Gross Surplus	2	93,665	78,571
Gain on sale of fixed assets		55,992	-
Operating Surplus		149,657	78,571
Interest receivable and other income	3	2,795	1,822
Interest payable and other financing costs		(79,957)	(80,505)
(Deficit)/Surplus on ordinary activities before taxation	4	72,495	(112)
Taxation	5	-	-
(Deficit)/Surplus for the year and total comprehensive income	14	72,495	(112)

The results relate wholly to continuing activities. The accompanying notes form part of these financial statements.

The financial statements were approved and authorised for issue by the Directors on 29th September 2025 and signed on their behalf by:



Nicol Holladay
Chairman & Director

29/09/25



29/09/25

Geoffrey Phillpotts
Director

Wickham Community Land Trust

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Statement of Financial Position

As at 31 March 2025

	Note	31 March 2025	31 March 2024
		£	£
Fixed assets			
Tangible fixed assets	7	2,149,608	2,214,568
Current assets			
Prepaid expenses	8	8,618	4,885
Cash at bank and in hand		215,616	96,960
		224,234	101,845
Creditors - Amounts falling due within one year	9	(32,288)	(32,504)
Net current assets		191,946	69,341
Total assets less current liabilities		2,341,554	2,283,909
Creditors - Amounts falling due after more than one year	10	(1,925,422)	(1,941,367)
Provisions for liabilities	13	(14,353)	(13,258)
Total Net assets		401,779	329,284
Reserves			
Income and expenditure reserve	14	401,779	329,284
Total Reserves		401,779	329,284

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Directors on 29th September 2025 and are signed on their behalf by



Nicol Holladay
Chairman & Director



Geoffrey Phillpotts
Director

The notes on pages 25 to 35 form part of these accounts

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Statement of Cash Flows

For the year ended 31 March 2025

Restricted funds are subordinate

		2025	2024
		£	£
Net cash generated from operating activities	15	206,027	98,329
Cash Flow from Investing Activities			
Interest received		2,550	1,097
Cash Flow from Financing Activities			
Repayment of borrowings		(9,964)	(9,169)
Interest paid and other finance costs		(79,957)	(80,505)
Net change in cash and cash equivalents		118,656	9,752
Cash and cash equivalents at start of year		96,960	87,208
Cash and cash equivalents at end of year		215,616	96,960

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Statement of Changes in Reserves

	Income and expenditure reserve	Total
	£	£
At 1 April 2023	329,396	329,396
(Deficit)/Surplus for the year	(112)	(112)
Total comprehensive income	(112)	(112)
At 31 March 2024 and 1 April 2024	329,284	329,284
(Deficit)/Surplus for the year	72,495	72,495
Total comprehensive income	72,495	72,495
At 31 March 2025	401,779	401,779

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Notes to the Financial Statements

1. Accounting policies

1.1. Legal status

Wickham Community Land Trust is registered under the Companies Act 2006 as a company limited by guarantee incorporated in England and Wales. It is registered with both the Charity Commission and Homes England as a Registered Provider and is a public benefit entity. Its registered office is:

Byrne Runciman, The Square, Wickham, Fareham, Hampshire, PO17 SJT

1.2. Basis of preparation

The financial statements have been prepared:

- 1.2.1. under the historic cost convention
- 1.2.2. on the going concern basis in accordance with the Statement of Recommended Practice for social housing providers known as the Housing SORP 2018 in accordance with the Accounting Direction for private registered providers of social housing in England 2022
- 1.2.3. in accordance with the Charities Act 2011
- 1.2.4. in accordance with applicable UK Generally Accepted Accounting Principles (UK GAAP) accounting standards, including Financial Reporting Standard 102 (FRS 102)
- 1.2.5. in accordance with the Companies Acts 2006.

The financial statements are presented in sterling which is the functional currency of the Trust and are rounded to the nearest pound.

As the Company is a charity, the wording of the statutory formats required by the Companies Act 2006 has been appropriately amended in order to give a true and fair view.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.3. Significant Judgements

In applying the various accounting policies relevant to social landlords, the trustees have determined to categorise the houses owned by the trust as fixed assets rather than investment properties. As such they are shown at cost rather than market value. As house prices have risen since the houses were acquired by the trust this means that they are shown in the accounts below market value.

1.4. Key Assumptions and sources of estimation uncertainty

The trustees consider that there are no significant areas of uncertainty in the assumptions they have made that would be likely to cause a material change to the carrying value of any assets or liabilities over the next year.

1.5 Funds structure

- i Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

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- i Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

1.6 Turnover

Turnover comprises rental income receivable in the year, service charges receivable in the year and income from shared ownership first tranche sales. Income from first tranche sales is recognised at the point of legal completion of the sale.

1.7 Expenditure

Expenditure is recognised on an accruals basis.

1.8 Fixed Assets

Housing Properties

The company holds fourteen properties available for rent and four properties available for shared ownership.

Fixed assets are stated at cost less accumulated depreciation.

Depreciation

Freehold land is not depreciated.

The company separately identifies the major components which comprise its housing properties and charges depreciation so as to write down the cost of each component to its estimated residual value, on a straight-line basis, over its estimated useful economic life. The company depreciates the major components of its housing properties over the following timescales:

Structure	100 years
Roof	60years
Kitchen	20years
Bathroom	30 years
Boiler	15 years
Heating System	30 years
Windows & Doors	20 years
Electrics	30years

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Impairment

Impairment reviews are carried out as and when evidence comes to light that the recoverable amount of a functional fixed asset is below its net book value due to damage, obsolescence or other relevant factors.

1.9 Shared ownership properties

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to first tranche sales. The first tranche proportion is classed as a current asset and related sale proceeds included in turnover and the remaining element is classed as fixed assets and included in housing properties at cost, less any provisions needed for depreciation or impairment.

1.10 Social Housing Grant

Social housing grant (SHG) is receivable from Homes England. Under SORP 2018 the company has adopted the accruals model for the recognition of government grant and is required to account for such grants as deferred income and to take a portion of the grant to income each year. Grants relating to housing properties are recognised in income on a systematic basis over the useful economic life of the housing property structure.

1.11 Debtors and Creditors due within one Year

Debtors and creditors receivable or payable within one year, and with no stated interest rate, are initially recorded at transaction price and are subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

1.12 Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

The Trust is in receipt of two loans with interest rates below the prevailing market rate of interest. These loans are not repayable on demand and are for the purposes of furthering the objectives of the public benefit entity or public benefit entity parent and are therefore accounted for as concessionary loans. These loans are initially measured at the amount received and in subsequent years the carrying amount of these loans is adjusted to reflect any accrued interest payable.

1.13 Provisions for Liabilities

Provisions are recognised when the Trust has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

1.14 Policy for Recycled Grants

Capital grants can be recycled under certain conditions, if a property is sold, or if another relevant event takes place. Recycled grants can be used for projects approved by Homes England, and they are credited to the Recycled Capital Grant Fund within liabilities

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1.15 Accounting Policy for cash at bank and in hand

Transactions are managed according to the Financial Controls Policy. All transactions are logged immediately on a month-by-month basis. Cash at bank is held in a current account for immediate availability or on interest earning deposit. Movements between current and deposit accounts require the approval of the Board. Cash received that is due at intervals to cover service costs on behalf of tenants is separately held in reserve accounts for use against demand as per agreement with service providers.

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2. Income and Expenditure from Social Lettings

	2025	2024
	£	£
Turnover		
Affordable homes rental income	88,684	83,011
Intermediate rental income	37,591	34,624
Shared Ownership rental income	15,392	16,487
Government grant taken as income	9,429	9,300
Charges for support services	1,416	1,940
	<u>152,512</u>	<u>145,362</u>
Expenditure		
Maintenance costs	(8,377)	(7,139)
Insurance	(5,356)	(8,276)
Void costs	-	(21)
Property Management Costs	(8,936)	(8,648)
Other costs	(36,178)	(42,707)
	<u>(58,847)</u>	<u>(66,791)</u>

Rental income is stated net of identifiable service charges

3. Interest receivable and other income

	2025	2024
	£	£
Interest receivable	2,550	1,097
Donations & grants received	<u>245</u>	<u>725</u>
	<u>2,795</u>	<u>1,822</u>

4. Surplus on ordinary activities

This is stated after charging:

	2025	2024
	£	£
Auditor's remuneration -for audit services	4,500	4,375
Auditor's remuneration - non-audit services	-	350
Depreciation	29,200	29,743

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5. Taxation

As a charity, WCLT is exempt from tax on income and gains falling within section 505 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

6. Key management personnel remuneration and employees

Key management personnel neither received nor waived any remuneration during the year. (2024: £nil). The charity had no employees in the current or previous year.

7. Tangible fixed assets

	Freehold Land and	Freehold Land and	Freehold Land and	Total
	Buildings - Affordable Rent	Buildings - Intermediate Rent	Buildings - Shared Ownership	
	£	£	£	£
Cost				
At beginning of year	1,579,160	495,007	310,166	2,384,333
Disposals	-	-	(43,481)	(43,481)
At end of year	1,579,160	495,007	266,685	2,340,852
Depreciation				
At beginning of year	(26,241)	(90,021)	(53,503)	(169,765)
Charge for year	(17,441)	(7,716)	(4,043)	(29,200)
On disposals	-	-	7,721	7,721
At end of year	(43,682)	(97,737)	(49,825)	(191,244)
Net book value				
At 31 st March 2025	1,535,478	397,270	216,860	2,149,608
At 31 st March 2024	1,552,919	404,986	256,663	2,214,568

The above assets, with a net book value of £2,149,608 are pledged as security against the Trust's loans.

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8. Prepaid expenses

	2025 £	2024 16. Reserves £
Insurance costs	5,155	4,786
Other	3,463	99
	<u>8,618</u>	<u>4,885</u>

9. Creditors - Amounts falling due within one year

	2025 £	2024 £
Bank Loans (note 12)	12,397	10,132
Other creditors	5,636	5,429
Accrued expenses	5,400	5,250
Accrued service charges payable	-	2,393
Deferred income from Homes England	3,255	3,700
Deferred grant from Winchester City	5,600	5,600
	<u>32,288</u>	<u>32,504</u>

10. Creditors - Amounts falling due after more than one year

	2025 £	2024 £
Bank loans (note 12)	976,508	989,243
Loans from other institutions (note 12)	86,297	85,791
Deferred income (note 11)	818,601	866,333
Recycled Capital grant Fund (note 15)	44,016	-
	<u>1,925,422</u>	<u>1,941,367</u>

The loans from other institutions are concessionary loans with interest rates below the prevailing market rate.

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11. Deferred Grant Income

	2025	2024
	£	£
At 1 April	875,633	884,933
Recycled in the year	(38,748)	-
Released to income in year	(9,429)	(9,300)
At 31 March	827,456	875,633
Amounts to be released within 1 year	8,855	9,300
Amounts to be released in more than 1 year	818,601	866,333
	827,456	875,633

12. Bank loans and loans from other institutions

	2025	2024
	£	£
Due within one year and on demand	12,397	10,132
Due after one year but less than two	13,396	11,000
Due after two years but less than five	46,474	39,402
Due after more than five years	1,002,935	1,024,632
	1,075,202	1,085,166

The aggregate amount of debt secured upon the affordable rental properties, intermediate rental properties and the share of shared ownership properties retained by the trust is £1,075,202

The loans bear interest at 3% above Bank of England base rate. One loan is interest only for the first 10 years.

13. Provisions for liabilities and charges

	2025	2024
	£	£
Provision for future overhaul	14,353	13,258

Provisions for liabilities and charges comprise of amounts set aside for the future overhaul of the properties.

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14. Reserves

	Unrestricted general reserves £	Total reserves £
Balance as at 1 April 2024	329,284	329,396
Surplus /(deficit) for year	72,495	(112)
At 31 March 2025	<u>401,779</u>	<u>329,284</u>

15. Recycled Capital Grant Funds

Funds pertaining to activities within areas covered by	Homes England £
Opening balance	-
Inputs to RCGF - Grants recycled previously amortised	5,268
- Grants recycled previously deferred	38,748
Recycling of grant	-
Repayment of grant to Homes England	-
Closing balance	<u>44,016</u>
Amounts 3yrs or older where repayment may be required	-

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16. Statement of Cash Flows from Operating Activities

For year ended 31 March	2025	2024
	£	£
Surplus/(Deficit) for the year	72,495	(112)
Adjustment of non cash items		
Change in value of Fixed Assets	64,960	29,743
(Decrease)/Increase in deferred income	5,268	-
Amortisation of Government grants	(9,429)	(9,300)
Decrease/(increase) in prepayments	(3,733)	(4,490)
Increase/(decrease) in creditors	(2,036)	1,985
Increase in provisions	1,095	1,095
Interest payable	79,957	80,505
Interest received	(2,550)	(1,097)
Net cash generated from Operating activities	<u>206,027</u>	<u>98,329</u>

16a Analysis of changes in net debt

	2024	Cash Flows	Other changes	2025
	£	£	£	£
Long term borrowings	1,085,166	(9,964)	-	1,075,202
Total liabilities	<u>1,085,166</u>	<u>(9,964)</u>	-	<u>1,075,202</u>
Cash and cash equivalents	(96,960)	(118,656)	-	(215,616)
Total net debt	<u>988,206</u>	<u>(128,620)</u>	-	<u>859,586</u>

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17. Accommodation in management

At the end of the year, accommodation in management for each type of property was as follows:

	2025	2024
Shared ownership	4	4
Intermediate rent	4	4
Affordable rent	10	10
	<u>18</u>	<u>18</u>

18. Company limited by guarantee

Wickham Community Land Trust is a company limited by guarantee and has no share capital. As at 31st March 2025 there were 8 (eight) members. Every member promises, if the Company is wound-up, to contribute such sum (not exceeding £10) as may be demanded of him or her towards any deficit.

19. Director Information

No remuneration was paid to the Directors during the year (2024: £nil).

20. Capital commitments

At 31st March 2025 there was one capital commitment carried forward being the balance of solar installations at Houghton Gardens commissioned in 2024/25: £30,208 (2024: none).

21. Related parties

During the year, expenses of £44 were reimbursed to 2 trustees (2024: £492). No expenses were reimbursed to a company in which a trustee has an interest.

22. Ultimate controlling party

Wickham Community Land Trust is ultimately controlled by the board of Trustees.

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Appendix:

WCLT TENANT SATISFACTION MEASURES FROM MANAGEMENT INFORMATION. 01/04/24-31/03/25	
The Number of Stage One complaints made by tenants received during 2024 2025. (All residents)	0
The Number of Stage Two complaints made by tenants received during 2024 2025 (All Residents)	0
Proportion of: 1. stage one complaints responded to <i>and</i> 2. stage two complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales.	N/A
Number of: 1. anti-social behaviour cases, <i>of which</i> 2. anti-social behaviour cases that involve hate incidents opened per 1,000 homes.	9 0
Proportion of homes that do not meet the Decent Homes Standard (<i>not shared owners</i>)	0
Proportion of non-emergency responsive repairs completed within the landlord's target timescale (<i>not shared owners</i>) The target timescales used to generate this are: Urgent -7 days, Non urgent -28 days	54%
Proportion of emergency responsive repairs completed within the landlord's target timescale of 1 day (<i>not shared owners</i>)	None required
Proportion of homes for which all required gas safety checks have been carried out (<i>Wykeham Vale only, no gas at Houghton Gardens</i>)	100%
Proportion of homes for which all required fire risk assessments have been carried out (<i>Two ground floor & first floor flats without communal areas</i>)	100%
Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out	N/A
Proportion of homes for which all required legionella risk assessments have been carried out.	N/A
Proportion of homes for which all required communal passenger lift safety checks have been carried out	N/A

Note: This page does not form part of the statutory financial statements

WICKHAM COMMUNITY LAND TRUST

England & Wales - Charity number 1134897

Accounts

Wickham Community Land Trust

A Registered Charity

and Company Limited by Guarantee

Annual Report and Financial Statements

for the year ended 31 March 2024

Company Registration Number: 06608621 Registered Charity Number: 1134897

Registered Office: Byrne Runciman,

The Square, Wickham, Fareham, Hampshire PO17 SJT

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DIRECTORS' REPORT

The directors present their annual report and the financial statements for the year ended 31 March 2024.

1. PURPOSES OF THE CHARITY

1.1 Purposes as set out in Wickham Community Land Trust's governing document

The charity's purposes are set out in the objects in the Company's Memorandum of Association, as follows:

- The provision of social housing and housing to relieve financial hardship
- To promote such other charitable purposes as may from time to time be determined subject to the prior written consent of the Charity Commission.

Wickham Community Land Trust (WCLT) is dedicated to the provision of affordable housing in Wickham to relieve the financial hardship of eligible beneficiaries living in the village, surrounding area or with employment in the area; holding the property for the long term public good and protecting it from the damaging effects of asset price inflation and speculation and thereby enabling the provision of affordable housing now and for subsequent generations.

Note: Where the term "Wickham" is used in this report, it refers to the civil parish of "Wickham and Knowle".

1.2 Summary of activities in support of the purposes

- Manage the business of the Trust in such manner as to cover costs and, as a not-for-profit organisation, to re-invest for maintenance of the properties
- Maintain and run our properties in such a way that they can remain a long-term public benefit, contributing to the sustainability of this community
- Manage the on-going movement of residents into and out of the properties so that the homes remain a benefit to those who qualify to occupy them on grounds of need
- Maintain the affordable nature of the accommodation
- Retain the freehold of the properties in accordance with the charitable aims of WCLT to provide asset lock
- Pursue opportunities to further meet WCLT's charitable objectives through the provision of additional affordable homes in the vicinity, working in cooperation with Winchester City Council and Homes England
- Monitor and review the charity's performance against its charitable objectives on a regular basis.

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1.3 Summary of Activities in relation to public benefit

- WCLT's main focus is on providing housing for those who cannot afford, from their own resources, to buy or rent a home on the open market
- The housing of those living in situations inadequate or unsuitable for their needs, regardless of their age, sex, marital status or any other differentiator
- The housing of families living in overcrowded conditions by virtue of inability of young adults to find alternative affordable homes
- Housing those who lose their open market rental homes because of sale or increased rent
- The housing of key workers serving the local area
- Provision of housing to a number of households with local connection enabling them to receive support from their families (e.g. childcare) or to provide support to family members who need help (e.g. to elderly relatives)
- Shorter journey times for those residents with work in the local area.

WCLT is not aware of any detriment or harm arising from the organisation's aims.

1.4 Benefit to a section of the public

The public which benefits from our work is made up of a cross section of age groups unable from their own resources to afford a home on the open market.

Eligibility for housing

Selection criteria for applicants include housing need, inability to afford property to buy or to rent on the open market, the ability to meet the affordable rent/mortgage outgoings on a WCLT home, suitability of the homes WCLT has available to meet the applicants' needs and local connection (see Geographical Restriction below).

Geographical Restriction

WCLT serves the geographical area of Wickham in Hampshire, its adjoining parishes and the administrative area of Winchester City Council, in that order of priority. Being an attractive village within reach of three cities, Winchester, Portsmouth and Southampton, Wickham's house prices, both for purchase and rent, are high and beyond the means of many people from this specific vicinity who wish to be able to live in the community from which they come or in which they work.

1.5 Identifying Public Benefit

The impact of our achievement goes wider than those families we house, and its public benefits include the following:

- A reduction in the number of people seeking affordable housing in the area.
- A reduction in local barriers to housing
- An increase in housing stock available for affordable homes
- Increased availability of local accommodation for key workers serving the local area
- A reduction in distances between home and workplace for people working in the

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area

- The retention of assets within the local community for public benefit, providing a long-term asset lock.

1.6 Private benefit

No-one receives any private benefit from WCLT.

1.7 Directors' Public Benefit Statement

The Directors of WCLT confirm that in drawing up this report they have been aware of their duty to report on public benefit and have paid due regard to the Charity Commission's guidance in this respect.

1.8 Contribution made by volunteers

WCLT has no employees. All work undertaken by directors and our part-time bookkeeper, Mrs Brenda Farrow, is undertaken on a voluntary basis.

1.9 Additional Information

WCLT employs a Managing Agent for its rental properties. While the selection process of suitable eligible persons to occupy its properties remains under the control of WCLT, once that process is complete the Managing Agent deals with the collection of rent and service charge and manages repairs. However, WCLT remains closely involved in management issues and directly manages the shared ownership properties.

2. ACHIEVEMENTS AND PERFORMANCE

2.1 Quantitative and Qualitative Information

At the end of this financial year the number of persons housed by the Trust was 43 individuals (adults and children) who qualify under the categories outlined in 1.3 above.

There were no changes in tenant occupation during the year. There were no void periods.

Feedback from our residents remains consistently appreciative. For details see Appendix providing Resident Survey Responses and Management Information. The information is set out in the format required by the Regulator of Social Housing.

2.2 Meeting the Social Housing Regulator's Standards

Directors continue to use the Regulator's Economic and Consumer Standards as points of reference for measuring our service-delivery.

2.2.1 Governance and Financial Viability Standard

WCLT's Code of Practice and Financial Viability, based on the standard, sets out the

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fundamental values which underpin WCLT's practice and ensures that it:

- a) meets the Regulator's standard and
- b) conducts its business in an effective, transparent and accountable manner.

The Board certifies its compliance with the standard during the course of 2023/2024.

2.2.2 Value for Money Standard (VFM)

The WCLT Board regularly reviews all areas of its operation to look at opportunities for reducing costs or securing additional income in line with its Value for Money Policy.

The voluntary time of Board Members in running the organisation "hands on" is a key contributor to constraining costs as well as providing a responsive service. Examples include our financial and administrative returns, lettings, management of shared ownership properties, financial management and reporting. The Board recognises that, as WCLT grows, additional paid administrative and financial resources will be required, and future projects include financial provision for such additions. The Trust has ownership of 18 affordable properties at the end of the financial year. If further properties are acquired beyond this level, it will be necessary to put into place more formal arrangements, probably requiring part-time employment.

The Board recognises that maintenance costs are increasing as properties acquired in 2012 age and has increased budgetary provision in its plans for future years.

In April 2018, the Regulator of Social Housing published new standards to Registered Providers by which to establish comparative Value for Money metrics. While these are a useful tool generally the Board is aware that, being a relatively small provider, such metrics have to be used with caution and broad comparisons are not reliable.

The Board feels that the following are relevant measures, and we present our performance evaluation against each parameter:

		2023/24	2022/23
Metric 1	Reinvestment	-	0.66
Metric 2	New supply	-	0.56
Metric 3	Gearing	0.41	0.42
Metric 4	EBITDA MRI interest cover	1.24	0.65
Metric 5	Social Housing cost (per unit owned)	£3,711	£4,581
Metric 6	Operating Margin	0.54	0.11
Metric 7	Return on Capital Employed	0.03	0.00

2.2.3 Rent Standard

While WCLT is exempt from this standard through its provision of housing for intermediate rent, the Board refers to the Regulator's Guideline Limit in its rent review, as recommended in the standard. In 2023/24 WCLT applied a rent increase of 7.7% to its intermediate rent

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and 6.5% to its shared ownership properties in order to maintain affordability, although the Rent Standard guideline would have allowed higher increases. The Trust, while needing to be prudent due to heavily increased costs due to interest rate rises and inflation was mindful of the economic strain on tenants' budgets as a result of the "cost of living crisis".

The ten new properties acquired in FY 23 are affordable rent properties governed by the Rent Standard and also the terms of an s106 agreement which pegs them to rents equal to Local Housing Allowance (unless a specific exception is made).

2.2.4 Home Standard

- i) Quality of accommodation: WCLT's 8 homes in Houghton Gardens meet the Government's Decent Homes requirement and also Sustainability Code 3 and Lifetime Homes criteria. The 10 homes in Wykeham Vale meet current Building Regulation.
- ii) Repairs and Maintenance: WCLT is responsive to matters of ongoing repair and maintenance.

2.2.5 Tenant Involvement and Empowerment Standard

WCLT convened a meeting with residents of Houghton Gardens on 2nd November 2023 and with residents of Wykeham Vale on 13th March 2024 to disseminate information, explain charges and to capture residents' views and respond to any of their concerns. More details are given at 6.4 below.

WCLT's Managing Agent also visits tenants in their homes. All tenant reviews remain positive and feedback in respect of WCLT performance has also been positive. Those tenants reaching the completion of their sixth year in residence have renewed their tenancies. WCLT will continue to take account of tenants' views in monitoring its performance as a landlord.

2.2.6 Neighbourhood and Community Standard

In managing its current portfolio WCLT works to good effect with Hyde Group, Aster Homes, Wickham Community Association and Wickham Parish Council in respect of grounds maintenance, street lighting, access roads and community issues and with Winchester City Council and Wickham Festival organisers.

2.2.7 Tenancy Standard.

Although as a provider of intermediate homes WCLT is exempt from this standard, WCLT still retains its current tenancy standard as a useful guide and operational reference point in relation to tenancies and tenancy review processes.

2.3 Achievements against objectives set

The objectives of the Trust were reviewed during the year and the Board agreed that they were still valid and should be carried forward into the next planning period 2024 – 2025. Satisfactory progress was achieved in all the ongoing management objectives.

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Detailed financial modelling was updated during the year especially to monitor performance against budget in view of high interest rates. As a result of rates remaining higher than anticipated when loans were commenced, Homes England identified from the Trust's annual return that the targets set in the loan agreements with Triodos Bank (the Trust's principal lender) for repayment cover were not being met and wanted comfort from Triodos that the bank was content with our financial position. The bank affirmed their acceptance of the position, and Homes England accepted this assurance. The accounts for FY 23/24 show that by the end of the year the Trust was again compliant with the loan repayment cover targets.

Although not applicable to the Report for FY 2023/24 it is important that the Board should comment on the position as it has continued to evolve into the next financial year. Bank of England base rate has stayed at 5.25% meaning that the Trust paying 8.25% on its loans. The Board has agreed a conservative budget that assumes that there will be minor cuts in rates in August and December and cash flow will remain positive. Reserves remain healthy and the Board is confident any external financial shocks that may arise can be managed.

3. FINANCIAL REVIEW

The financial statements have been prepared in accordance with the Housing SORP 2018.

Under this SORP the capital grant from Homes England used for the purchase of homes in Houghton Gardens, is classified as deferred income in the Balance Sheet with a proportion being taken each year to the Income and Expenditure account.

Also, under this SORP, the Income and Expenditure account is titled the Statement of Comprehensive Income and the Balance Sheet is called the Statement of Financial Position. In addition, we have included a Statement of Cash Flows.

The principal financial management policies in force are WCLT's Financial Controls Policy, Monitoring and Review Policy and WCLT's Reserves Policy.

3.1 Financial position at the end of the period

We are reporting a deficit for the year of £112 (2023 deficit of £22,455).

The Trust's operating performance in this financial year has been consistent with prior years. The cash position at the end of the year was strong and in line with expectations illustrating the Trust's ability to establish accurate financial forecasts for the business which has followed a consistent trend over the 12 years since the start of operations. The accounts record a free cash position of £96,960 at the end of the year despite the continuing high rate of interest that has affected the business.

3.2 Reserves

WCLT's Reserves Policy states the Trust's intention to hold reserves to the equivalent of at least 6 months of normal operating costs in order to:

- ensure continuity in meeting the needs of beneficiaries and the Charity's financial obligations
- ensure the Charity can bridge cash flow problems in periods of changeover when beneficiaries leave or move into properties or rental income drops at such

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times maintain and develop its charitable activities.

In line with Charity Commission guidance this policy was reviewed in July 2023 and will be reviewed annually.

As at 31 March 2024 the Trust held reserves of £329,284 (2023: £329,396). The reserves held at the end of the Financial Year are the equivalent of 59 months' operating expenditure.

3.3 Principal Funding Sources

3.3.1 Lenders

Lenders in the period were as follows:

- Charity Bank
- Winchester City Council
- Hyde Group
- Triodos Bank

3.3.2 Donations

Donations in the period amounted to £725 (2023 £1,147)

3.4 Rental Income

Rental Income from the 14 rental properties and 4 shared ownership properties has provided a steady income throughout the financial year, enhanced inevitably by the full year revenue from the 10 homes acquired during the prior year. Hence rental income was £52,500 higher than in FY 2022/23. There were no void periods.

3.5 Expenditure

3.5.1 WCLT has continued to be cautious with its expenditure and at the end of the period finances remained healthy. Operating expenditure was lower than in the prior year directly related to lower administrative and legal expenses, which were exceptionally high in 2023 because of the purchase costs related to Wykeham Vale. The year showed an operating surplus of £78,571 (2023 £10,399)

3.5.2 Maintenance costs were lower than we had budgeted because the Board had anticipated a steady increase in costs for the older properties in the portfolio that did not in fact arise. The Board has created a long-term plan for replacement costs, and these will be incorporated into future budgets as the Board continues its cautious approach to property maintenance requirements of its older properties.

3.5.3 All payments are governed by WCLT's Financial Controls Policy and any repayment of expenses to directors is made according to the regulations laid down in that policy.

3.6 Risks

3.6.1 The Trust, by the very nature of its business model, is dependent on rental revenues and on external finance, and will thus always remain exposed to potential increases in interest rates. Risks are re-assessed at each Board meeting and increases in interest rates

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remain the single most significant risk to the business. The extent of this risk as it affects the Trust going into FY 2024/25 is discussed in section 2.3 of the Report. It will be essential for the Board to maintain good communication with, and the confidence of, our lenders. Fortunately, the value of our assets (c £4.5m) should be sufficient for our lenders to feel that their positions are sufficiently secure.

3.6.2 Succession planning features in the Trust's regular risk appraisal. This has allowed the Trust to secure the services of a new Trustee during the year who is employed by a leading Housing Association and who has direct housing management experience and appropriate qualifications. Her appointment enables the Board to satisfy the government's guidance that providers of affordable housing should have representation by personnel with such qualifications.

3.6.3 The sad loss in the previous 18 months of two experienced and highly valued Trustees (Rev Jane Isaac through her death and Chris Cook through retirement from the Board due to ill health) demonstrates the importance that must be placed on continuing to refresh and strengthen Trustee membership.

3.6.4 The voluntary affordable homes sector is dependent on support from the government. The Trust has benefitted in past years from the availability of the Community Housing Fund (CHF). Despite the national need for affordable housing, the availability of funds to support organisations providing community led solutions is disappointing.

3.6.5 The Government has absolved Community Land Trusts from the right to buy that affects other forms of affordable housing provider. If this were to change it would impact the Trust's charitable objects and so this risk is constantly under review.

3.7 Investment

As part of the original loan terms with Charity Bank, WCLT has £8753 (2023: £8,465) in a Charity Bank Deposit Account. Although Charity Bank has been sufficiently satisfied with the soundness of WCLT's performance to lift this condition WCLT chooses to retain this deposit.

3.8 Fundraising activities

WCLT launched "Friends of Wickham Community Land Trust" in January 2023 and is pleased to report that it has received donations from small number of local people. The Trust intends to build on this start in years ahead.

3.9 Events subsequent to this report period

3.9.1 The two rent reviews conducted in the year, one for the rental properties and one for the shared ownership homes in Houghton Gardens, were conducted in the last quarter of this report period, with implementation following in the subsequent reporting period.

3.9.2 There have been no significant financial post-reporting events affecting the business. The hoped for interest rate cuts trailed by the most financial experts will be a welcome benefit to the Trust's finances. With a new government, however, it is not possible to be sure of what will happen to interest rates but published expectations seem little changed.

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3.9.3 There have been significant regulatory changes subsequent to the year-end including a Statutory Code for Complaints, and new regulatory powers for consumer standards implemented by the Regulator for Social Housing. In addition Health and Safety remains a key concern following the Grenfell Tower and Rochdale tragedies and new regulatory requirements are expected. WCLT is updating its policies and practice in response, including new Board responsibilities for monitoring Health and Safety and Complaints.

3.10 Plans for the forthcoming year

In addition to the ongoing management of WCLT's existing properties, the Trust's activities in 2024/2025 will be concentrated on:

- 3.10.1** Ensuring that risks related to interest rates and increases in costs of maintenance are kept under close scrutiny and action taken promptly and as appropriate.
- 3.10.2** Ensuring that the new statutory and regulatory responsibilities introduced in 2024 are understood and complied with
- 3.10.3** Ensuring that tenancies in Wykeham Vale are managed successfully in the second year of their ownership, it is disappointing to report that all ten properties have suffered latent plumbing defects that the Trust and its Managing Agent are working hard to resolve with the developer.
- 3.10.4** Discussions with both Winchester City Council and Homes England to develop options for WCLT's acquisition of 20 further homes on a Homes England site at Knowle, near Wickham, are expected to develop during the year as s106 and other planning issues seem close to resolution. The Trust's participation, however, will be dependent on the accessibility of enabling finance.
- 3.10.5** Maintaining WCLT's excellent working arrangements with the managing agent, the City Council and the management companies responsible for common areas of sites on which its properties are situated.
- 3.10.6** Addressing issues of scaling up to deal with potential portfolio expansion and recruiting extra trustees to cover increased workload and/or to employ a member of staff to assist with the increased administrative work.
- 3.10.7** The Trust will continue its campaign to inform more widely local people of the Trust's work and build further the Friends network. It will work to increase the likelihood of significant donations from local people to support its work
- 3.10.8** A shared ownership tenant during FY 23/24 signalled a wish to staircase to 80% equity (from 50%) and also extend their property (having failed to find a private property to purchase because of excessive property prices locally) in order to match the needs of their growing family. The Trust has considered the financial and strategic effects of this proposal and agreed to proceeding. It is expected that the works will commence and complete during FY24/25.

4. STRUCTURE, GOVERNANCE AND MANAGEMENT

4.1 Governing Document

Wickham Community Land Trust (WCLT) is registered in England and Wales as a Company Limited by Guarantee with charitable aims, with the governing documents being Memorandum and Articles of Association. It was registered as such on 2nd June 2008

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4.2 Legal Definition

WCLT meets the legal definition of a community land trust as defined by the Housing & Regeneration Act 2008 Act.

4.3 Members and Membership

Subscribers to the Memorandum and Articles of Association were the first members of the Charity. Membership is open to other individuals or organisations who apply to the Charity in the form required by the Directors and who are approved by the Directors. The Board hopes to recruit new members in this way as part of its succession planning.

There is one class of membership.

Persons with Significant Control: WCLT keeps a register in which to record such but at present the position is Nil.

In accordance with our Conflicts of Interest Policy all directors are required to complete annually a Register of Interests.

There have been three changes to the composition of the Trust Board during the year: the loss of Rev Jane Isaac and Chris Cook have been noted elsewhere in the Report. We are delighted to welcome Sara-Jane Chivers to the Board, She has been appointed to serve on the Housing Management Sub-Committee.

Any local authority appointments should be maintained at less than 20% of the total board. There are currently no LA appointments represented on the Board.

4.4 Director Induction, Training and development

Directors are provided with a Trustee Role Description and asked to sign a Trustee Code of Conduct and to complete a Declaration in respect of Individual Voluntary Arrangements, bankruptcy and unspent convictions. All directors have a copy of the Charity Commission publication "The Essential Trustee: what you need to know". Updates in the Charity Commission's Newsletters are disseminated to Directors during the year.

Suitable opportunities for development through attending courses, conferences or seminars are identified and supported at Board level.

4.5 Organisational and Structural Matters

4.5.1 Day to Day Management

The day-to-day management of WCLT is undertaken either by an executive committee or by the Housing Sub-Committee. The executive committee consists of the Chairman, Nicol Holladay, the Company Secretary, David Peters, and the Vice Chairman, Geoffrey Phillpotts, with involvement of the Finance Director where relevant. The Housing Management Sub-Committee is made up severally of Geoffrey Phillpotts, David Thompson, David Peters,

Wendy Greenish and Sarah-Jane Chivers to deal with individual housing matters and the

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allocation of properties. Other directors according to their skills and roles are called on as per actions agreed at meetings. Directors are regularly updated on current issues at the board meetings and all major and policy decisions are taken by the board.

4.5.2 Code of Practice

WCLT has its own Code of Practice and Financial Viability, based on that of the Housing Regulator's Standard, which the Board deems appropriate to the organisation's size and role as a non-profit registered provider.

4.5.3 Code of Governance

WCLT has its own Code of Governance based on that of the Charity Commission. Both this and the Code above set out the fundamental values which underpin WCLT's operation and against which the Board can assess the effectiveness of its governance arrangements and operation.

4.5.4 Tenancy

WCLT's **master tenancy documents** are in line with current legislation.

4.5.5 Asset Register

WCLT manages its resources prudently to ensure its viability and actively assesses and manages risk. While our properties have not been revalued in the accounts (see accounting policy h), a valuation carried out in April 2018 at the behest of Charity Bank showed that all the eight properties in Houghton Gardens have a market value well in excess of cost and these market values have been noted in the asset register. Properties in Wykeham Vale were independently valued as part of the purchase process and their market values remain well ahead of their purchase cost.

4.5.6 Data Protection

In line with current legislation on GDPR WCLT has audited the data it handles. It has published its Privacy Policy, and the Board receives a Data Protection report at each meeting.

4.5.7 Risk Management

Consideration of WCLT's Risk Appraisal is led by Trustee David Thompson and embedded as a regular item in Board Meetings and the Board is satisfied that WCLT's consideration of risk is sufficiently informed to encompass consideration of both internal and external matters and that WCLT has complied with regulatory requirements to date and will continue to do so in the foreseeable future.

4.5.8 Insurance

WCLT's cover provides for Directors' and Officers' Liability Insurance, Public and Products Liability Insurance, Property Owners' Liability Insurance and Buildings Insurance. WCLT holds NHBC certification for all its eighteen properties.

4.5.9 Legal

4.5.9.1 New tenants are initially offered our Starter Only Assured Shorthold Tenancy, and progress to a five-year Fixed Term Assured Shorthold Tenancy after a satisfactory probationary period.

4.5.9.2 Shared Ownership Agreements are based on the Homes England Model Lease

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for Protected Areas, with stair-casing restricted to 80%.

4.5.9.3 Our tenancy agreements are reviewed and endorsed by our legal advisers.

4.5.10 Registered Office: no change.

4.6 Relationships with related parties

4.6.1 Charity Commission

WCLT is a registered charity (registration 12th March 2010). WCLT submits an Annual Return to the Charity Commission and is in receipt of its informative Quarterly Newsletters.

4.6.2 Homes England and Regulator of Social Housing

WCLT is registered as a non-profit private registered provider of social housing with the regulating body. WCLT in terms of regulation counts as a small provider. As a Registered Provider WCLT reports to and receives advice from the regulator and submits its Statistical Data Return under NRosh+.

WCLT, through its own policy documents and processes, both seeks to meet the regulator's Economic Standards and to reflect its Consumer Standards. These underpin WCLT's operations and throughout this financial period WCLT has sought to maintain and review its performance against these operating standards.

4.6.3 Hyde and Aster Housing Associations

With WCLT owning eight of its current portfolio of properties on a shared site with Hyde Housing Association and a further 10 on a site where Aster owns 22 properties communication between us is important.

4.6.3.1 The working relationship between WCLT and Hyde's local housing management team is in essence co-operative and effective. The relationship with Aster has always been good and remains so.

4.6.3.2 Communication with Hyde Group's centralised departments can be more difficult. WCLT strives to keep the channels of communication open and after some useful exchanges marked improvement has been witnessed and maintained during the year. Information regarding projected Estate Charges (see section 6 below: Funds held as custodian trustees) is now improved enabling the Trust better to project financial commitments both for the Trust itself and for tenants in Houghton Gardens

4.6.4 Wykeham Vale Management Company

As part of the arrangements for the purchase of homes in Wykeham Vale, the Trust has entered into a joint agreement with Croudace and Aster Homes for the management of common areas in the development. The arrangement took full effect in 2023/24 making all tenants members of the management company. The two outstanding issues requiring resolution carried over from FY 2023/24 viz installation of lighting on parts of the site and a question regarding the wisdom of one of the boundary locations) had not been resolved by the Year End, but the Board is pleased to report that progress is being made in Q1 FY 24/25.

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4.6.5 Winchester City Council (WCC)

WCLT's relationship with Winchester City Council continues to be supportive of the CLT's aims.

4.6.6 Radian Group

WCLT was party to a service level agreement with the Local HomeBuy Agent, Radian (part of the Abri Group), for intermediate rent and shared ownership housing in Winchester City's district. The government has now terminated the requirement for this arrangement

4.6.7 National CLT Network (NCLT)

WCLT is a member and both benefits from this membership and actively supports the NCLT in its work.

4.6.8 Information Commissioner and the Housing Ombudsman

WCLT is registered with the former in respect of Data Protection and, as a provider of social housing, is registered with the Housing Ombudsman Service. The Ombudsman now has a statutory code which came into force in April 2024.

4.6.9 Wickham Parish Council

WCLT maintains its links with Wickham Parish Council with communications with the Clerk to the Parish Council and individual councillors and exhibited at the Parish Assembly in May 2023.

4.6.10 Hampshire Home Choice

The Trust retains its separate rights under agreement with Winchester City Council to allocate its properties to qualifying tenants and advertises vacancies through Hampshire Home Choice so qualifying applicants can apply.

4.6.11 Byrne Runciman

The Trust's managing agent for rental properties. The firm collects rents from rental properties and is the first port of call for rental tenants for assistance and arranges repairs. The relationship between the Trust and Byrne Runciman continues as strongly as ever and they provide great assistance to the Trust. The relationship is an excellent example of local businesses working together for the good of the community.

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5. REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Charity Name: Wickham Community Land Trust

Charity Registration Number: 1134897

Homes England Registered Provider: 4692

Company Registration Number: 6608621

Registered Office and operational address: Byrne Runciman, The Square,
Wickham, Fareham, Hampshire PO17 5JT.

Correspondence address: P.O. Box 739, Fareham, Hants, PO14 9RH.

Board of Directors (as at September 2024):

Nicol Holladay	Chairman
Mr. G S Phillpotts	Vice-Chairman
Rev'd A J Smith	Finance Director
Mr D Peters	Director and Company Secretary
Mr E Fitzgerald	
Mr D R Thompson	
Mrs W Greenish	
Cap't A Robinson, RN	
Ms S-J Chivers	

Changes in Board of Directors:

Mr C Cook	Resigned
Rev Jane isaac	Deceased

Bankers: NatWest, 52, West St., Fareham, Hants PO16 0JX

Legal Advisers: Anthony Collins LLP, 134, Edmund Street, Birmingham B3 2ES

Auditors: Rothmans Audit LLP, Avebury House, St Peter Street, Winchester, SO23 8BN

Chartered Surveyors: Chandler Hawkins, 14, Landport Terrace, Southsea PO1 2LG

Managing Agent: Byrne Runciman, The Square, Wickham, Hampshire, PO1 2LG

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6. FUNDS HELD AS CUSTODIAN TRUSTEES

6.1 WCLT levies certain monthly charges from their tenants:

- i) Service charges for Maintenance and Sinking Fund together with an administrative and accounting costs fee
- ii) Estate Service Charge for grounds maintenance at Houghton Gardens undertaken by Hyde Housing and payable to them on invoice. There is a collection fee associated with this.

6.2 As custodian of funds held on behalf of others, WCLT has two Client Accounts in which to deposit sums related to i) and ii) above:

- i) Sums related to the General Service Charges and Estate Service Charges are paid into a current account.
- ii) Contributions collected for the Sinking Fund are placed in an interest-earning Business Reserve Account.

6.3 General Service Charge. WCLT, in its review of rents and service charges in February 2024 decided again to increase the levy rate for Sinking Fund to allow for inflation. This increase of the General Service Charge came into effect from May 2024.

6.4 Estate Service Charge:

- i) These are made in conjunction with fees charged to the Trust by Hyde Housing. Communication with Hyde regarding these charges is operating reasonably smoothly.
- ii) The Trust makes adequate provisions to meet the charges which are communicated to us and after various corrections that need to be made, annual costs are agreed and paid. The Board regards that, after several years' experience, budgets are predictable, provisions are adequate, and expenditure is under financial control.
- iii) The Trust has made provision to cover the costs of WV estate charges not yet levied.

7. CONCLUSION

WCLT reports another year of solid performance. The Trust has concentrated on managing its properties as well as possible for the individual residents and with regard to the long-term aims of the Trust. From a sound financial base, WCLT continues to deliver community-led ownership of affordable properties for the benefit of local people.

WCLT is very grateful for the support of local people and those organisations with which we have worked over the last few years. We particularly appreciate the good and sometimes special working relationships with these supportive organisations.

Sincere thanks are due to the directors and our highly efficient bookkeeper, all of whom have given their time and expertise generously and voluntarily to push WCLT's goals forward. WCLT is grateful to all who are keen to continue into next financial year.

Finally, the Board pays tribute to its tenants in an expanding portfolio of affordable homes: we are proud of them, and we are delighted that we have been able to provide affordable homes for them in our community.

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STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors 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 these financial statements, the directors are required to:

- ensure continuity in meeting the needs of beneficiaries and the Charity's financial obligations
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Housing SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.


The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022. 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 directors are aware:

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.



David Peters
Director and Company Secretary, 23rd September 2024

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Independent Auditor's Report to the Members of Wickham Community Land Trust

Opinion

We have audited the financial statements of Wickham Community Land Trust (hereinafter "The Trust") for the year ended 31 March 2024 which comprise the Statement of Consolidated Income, the Statement of Financial Position, the Cash Flow Statement, the Statement of Changes in Reserves and notes to the financial statements, including 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 Trust's affairs as at 31 March 2024, and of its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

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 Trust 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 board's 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 association'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 board with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the

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financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report .

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

Opinion on other matter prescribed by the Companies Act 2006

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

- information given in the directors' report for the financial the year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions as not been maintained.

Directors' responsibilities

As explained more fully in the directors' responsibilities statement set out on page 16, the directors (who are also the trustees 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 directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, the directors are responsible for assessing the Trust'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 directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The objectives of our audit, in respect to fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

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.

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures include the following:

- 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 obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and those laws and regulations that had a direct effect on the financial statements.
- 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 Trust, including FRS102, the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence and the 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 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

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- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

We identified the greatest risk of a material impact on the financial statements from irregularities, including fraud, to be within the recognition of income and the override of controls. To address the risk of fraud in these areas, we:

- selected a sample of transactions from material income streams and compared expected income to that recorded within the financial statements
- performed procedures to identify any unusual or unexpected relationships
- tested journal entries to identify unusual transactions
- 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
- enquiring of management as to actual and potential litigation and claims
- reviewing correspondence with relevant regulators, including Homes England and the Regulator of Social Housing and the company's legal advisors; and
- reviewed legal and professional expenditure incurred in the year.

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

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

Use of our Report

This report is made solely to Wickham Community Land Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Trust'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 association and the Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Lisa Wilson FCA (Senior Statutory Auditor)

For and on behalf of Rothmans Audit LLP

Chartered Accountants and Statutory Auditors

Avebury House, St. Peter Street, Winchester, Hampshire, SO23 8BN



Date 26 September 2024

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Statement of Comprehensive Income

For the year ended 31 March 2024

		2024	2023
	Note	£	£
Turnover	2	145,362	92,862
Operating expenditure	2	(66,791)	(82,463)
Operating Surplus		78,571	10,399
Interest receivable and other income	3	1,822	1,225
Interest payable and financing costs		(80,505)	(34,079)
(Deficit)/Surplus on ordinary activities before taxation	4	(112)	(22,455)
Taxation	5	-	-
(Deficit)/Surplus for the year and total comprehensive income	14	(112)	(22,455)

The results relate wholly to continuing activities. The accompanying notes form part of these financial statements.

The financial statements were approved and authorised for issue by the Directors on 23rd September 2023 and signed on their behalf by:



Nicol Holladay
Chairman & Director



Geoffrey Phillpotts
Director

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Statement of Financial Position

As at 31 March 2024

	Note	31 March 2024		31 March 2023
		£	£	£
Fixed assets				
Tangible fixed assets	7		2,214,568	2,244,311
Current assets				
Prepaid expenses	8	4,885		395
Cash at bank and in hand		96,960		87,208
		101,845		87,603
Creditors – Amounts falling due within one year	9	(32,504)		(31,116)
Net current assets			69,341	56,487
Total assets less current liabilities			2,283,909	2,300,798
Creditors – Amounts falling due after more than one year	10		(1,941,367)	(1,959,239)
Provisions for liabilities	13		(13,258)	(12,163)
Total Net assets			329,284	329,396
Reserves				
Income and expenditure reserve	14		329,284	329,396
Total Reserves			329,284	329,396

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Directors on 23rd September 2024 and are signed on their behalf by



Nicol Holladay
Chairman & Director



Geoffrey Phillpotts
Director

The notes on pages 25 to 35 form part of these accounts

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Statement of Cash Flows

For the year ended 31 March 2024

	<u>Note</u>	<u>2024</u>	<u>2023</u>
		<u>£</u>	<u>£</u>
Net cash generated from operating activities	15	98,329	27,965
Cash Flow from Investing Activities			
Interest received		1,097	78
Purchase of houses for rent		-	(1,579,160)
Cash Flow from Financing Activities			
Grants received/(repaid)		-	355,000
New secured loans		-	794,160
Repayment of borrowings		(9,169)	(8,328)
Interest paid and other finance costs		(80,505)	(34,079)
Net change in cash and cash equivalents		9,752	(444,364)
Cash and cash equivalents at start of year		87,208	531,572
Cash and cash equivalents at end of year		96,960	87,208

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Statement of Changes in Reserves

	Income and expenditure reserve £	Total £
At 1 April 2022	351,851	351,851
(Deficit)/Surplus for the year	(22,455)	(22,455)
Total comprehensive income	(22,455)	(22,455)
At 31 March 2023 and 1 April 2023	329,396	329,396
(Deficit)/Surplus for the year	(112)	(112)
Total comprehensive income	(112)	(112)
At 31 March 2024	329,284	329,284

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2024

Company Reg. No: 06608621

Charity Number: 1134897

Notes to the Financial Statements

1. Accounting policies

1.1. Legal status

Wickham Community Land Trust is registered under the Companies Act 2006 as a company limited by guarantee incorporated in England and Wales. It is registered with both the Charity Commission and Homes England as a Registered Provider and is a public benefit entity. Its registered office is:

Byrne Runciman, The Square, Wickham, Fareham, Hampshire, PO17 SJT

1.2. Basis of preparation

The financial statements have been prepared:

- 1.2.1. under the historic cost convention
- 1.2.2. on the going concern basis in accordance with the Statement of Recommended Practice for social housing providers known as the Housing SORP 2018 in accordance with the Accounting Direction for private registered providers of social housing in England 2022
- 1.2.3. in accordance with the Charities Act 2011
- 1.2.4. in accordance with applicable UK Generally Accepted Accounting Principles (UK GAAP) accounting standards, including Financial Reporting Standard 102 (FRS 102)
- 1.2.5. in accordance with the Companies Acts 2006.

The financial statements are presented in sterling which is the functional currency of the Trust and are rounded to the nearest pound.

As the Company is a charity, the wording of the statutory formats required by the Companies Act 2006 has been appropriately amended in order to give a true and fair view.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.3. Significant Judgements

In applying the various accounting policies relevant to social landlords, the trustees have determined to categorise the houses owned by the trust as fixed assets rather than investment properties. As such they are shown at cost rather than market value. As house prices have risen since the houses were acquired by the trust this means that they are shown in the accounts below market value.

1.4. Key Assumptions and sources of estimation uncertainty

The trustees consider that there are no significant areas of uncertainty in the assumptions they have made that would be likely to cause a material change to the carrying value of any assets or liabilities over the next year.

1.5 Funds structure

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

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Company Reg. No: 06608621

Charity Number: 1134897

- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

1.6 Turnover

Turnover comprises rental income receivable in the year, service charges receivable in the year and income from shared ownership first tranche sales. Income from first tranche sales is recognised at the point of legal completion of the sale.

1.7 Expenditure

Expenditure is recognised on an accruals basis.

1.8 Fixed Assets

Housing Properties

The company holds fourteen properties available for rent and four properties available for shared ownership.

Fixed assets are stated at cost less accumulated depreciation.

Depreciation

Freehold land is not depreciated.

The company separately identifies the major components which comprise its housing properties and charges depreciation so as to write down the cost of each component to its estimated residual value, on a straight-line basis, over its estimated useful economic life. The company depreciates the major components of its housing properties over the following timescales:

Structure	100 years
Roof	60 years
Kitchen	20 years
Bathroom	30 years
Boiler	15 years
Heating System	30 years
Windows & Doors	20 years
Electrics	30 years

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2024

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Impairment

Impairment reviews are carried out as and when evidence comes to light that the recoverable amount of a functional fixed asset is below its net book value due to damage, obsolescence or other relevant factors.

1.9 Shared ownership properties

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to first tranche sales. The first tranche proportion is classed as a current asset and related sale proceeds included in turnover and the remaining element is classed as fixed assets and included in housing properties at cost, less any provisions needed for depreciation or impairment.

1.10 Social Housing Grant

Social housing grant (SHG) is receivable from Homes England. Under SORP 2018 the company has adopted the accruals model for the recognition of government grant and is required to account for such grants as deferred income and to take a portion of the grant to income each year. Grants relating to housing properties are recognised in income on a systematic basis over the useful economic life of the housing property structure.

1.11 Debtors and Creditors due within one Year

Debtors and creditors receivable or payable within one year, and with no stated interest rate, are initially recorded at transaction price and are subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

1.12 Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

The Trust is in receipt of two loans with interest rates below the prevailing market rate of interest. These loans are not repayable on demand and are for the purposes of furthering the objectives of the public benefit entity or public benefit entity parent and are therefore accounted for as concessionary loans. These loans are initially measured at the amount received and in subsequent years the carrying amount of these loans is adjusted to reflect any accrued interest payable.

1.13 Provisions for Liabilities

Provisions are recognised when the Trust has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

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Charity Number: 1134897

2. Income and Expenditure from Social Lettings

	2024	2023
	£	£
Turnover		
Affordable homes rental income	83,011	35,364
Intermediate rental income	34,624	31,018
Shared Ownership rental income	16,487	15,359
Government grant taken as income	9,300	9,300
Homes England revenue grant		
Charges for support services	1,940	1,821
	<u>145,362</u>	<u>92,862</u>
Expenditure		
Maintenance costs	(7,139)	(25,642)
Insurance	(8,276)	(7,094)
Void costs	(21)	(17)
Property Management Costs	(8,648)	(5,103)
Other costs	(42,707)	(44,607)
	<u>(66,791)</u>	<u>(82,463)</u>

Rental income is stated net of identifiable service charges

3. Interest receivable and other income

	2024	2023
	£	£
Interest receivable	1,097	78
Insurance claims		
Donations & grants received	<u>725</u>	<u>1,147</u>
	<u>1,822</u>	<u>1,225</u>

4. Surplus on ordinary activities

This is stated after charging:

	2024	2023
	£	£
Auditor's remuneration -for audit services	4,375	4,125
Auditor's remuneration - non-audit services	350	
Depreciation	29,743	21,102

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

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5. Taxation

As a charity, WCLT is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

6. Key management personnel remuneration and employees

Key management personnel neither received nor waived any remuneration during the year. (2023: £nil). The charity had no employees in the current or previous year.

7. Tangible fixed assets

	Freehold Land and	Freehold Land and	Freehold Land and	Total
	Buildings - Affordable Rent	Buildings - Intermediate Rent	Buildings - Shared Ownership	
		£	£	£
Cost				
At beginning of year	1,579,160	495,007	310,166	2,384,333
Additions	-	-	-	-
At end of year	1,579,160	495,007	310,166	2,384,333
Depreciation				
At beginning of year	(8,800)	(82,305)	(48,917)	(140,022)
Charge for year	(17,441)	(7,716)	(4,586)	(29,743)
At end of year	(26,241)	(90,021)	(53,503)	(169,765)
Net book value				
At 31st March 2024	1,552,919	404,986	256,663	2,214,568
At 31 st March 2023	1,570,360	412,702	261,249	2,244,311

The above assets, with a net book value of £2,214,568 are pledged as security against the Trust's loans.

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

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Company Reg. No: 06608621

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8. Prepaid expenses

	2024	2023
	£	£
Insurance costs	4,786	-
Other	99	395
	<u>4,885</u>	<u>395</u>

9. Creditors – Amounts falling due within one year

	2024	2023
	£	£
Bank Loans (note 12)	10,132	10,729
Other creditors	5,429	4,943
Accrued expenses	5,250	4,950
Accrued service charges payable	2,393	1,194
Deferred income from Homes England	3,700	3,700
Deferred grant from Winchester City	5,600	5,600
	<u>32,504</u>	<u>31,116</u>

10. Creditors – Amounts falling due after more than one year

	2024	2023
	£	£
Bank loans (note 12)	989,243	998,316
Loans from other institutions (note 12)	85,791	85,290
Deferred income from grants (note 11)	866,333	875,633
	<u>1,941,367</u>	<u>1,959,239</u>

The loans from other institutions are concessionary loans with interest rates below the prevailing market rate.

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11. Deferred Grant Income

	2024	2023
	£	£
At 1 April	884,933	539,233
Received in the year	-	355,000
Released to income in year	<u>(9,300)</u>	<u>(9,300)</u>
At 31 March	<u>875,633</u>	<u>884,933</u>
Amounts to be released within 1 year	9,300	9,300
Amounts to be released in more than 1	<u>866,333</u>	<u>875,633</u>
	<u>875,633</u>	<u>884,933</u>

12. Bank loans and loans from other institutions

	2024	2023
	£	£
Due within one year and on demand	10,132	10,729
Due after one year but less than two	11,000	11,550
Due after two years but less than five	39,402	39,851
Due after more than five years	<u>1,024,632</u>	<u>1,032,205</u>
	1,085,166	1,094,335
	=====	=====

The aggregate amount of debt secured upon the affordable rental properties, intermediate rental properties and the share of shared ownership properties retained by the trust is £1,085,166

The loans bear interest at 3% above Bank of England base rate. One loan is interest only for the first 10 years.

At 31 March 2023 the level of debt service cover meant that the Trust was in breach of its loan covenants. The lenders did not ask, however, to renegotiate the loans. Homes England accepted the position. During the year to 31 March 2024 the situation improved such that the Trust is now compliant

13. Provisions for liabilities and charges

	2024	2023
	£	£
Provision for future overhaul	13,258	12,163
	=====	=====

Provisions for liabilities and charges comprise of amounts set aside for the future overhaul of the properties.

Wickham Community Land Trust

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14. Reserves

	Unrestricted general reserves	Total reserves
	£	£
Balance as at 1 April 2023	329,396	329,396
Surplus /(deficit) for year	(112)	(112)
At 31 March 2024	<u>329,384</u>	<u>329,384</u>

15. Statement of Cash Flows from Operating Activities

	2024	2023
	£	£
Surplus/(deficit) for the year	(112)	(22,455)
Adjustment for non-cash items		
Depreciation	29,743	21,102
Amortisation of government grant	(9,300)	(9,300)
Decrease/(Increase) in prepayments	(4,490)	3,575
(Decrease)/increase in creditors	1,985	(53)
Increase in provisions	1,095	1,095
Adjustment for investing and financing activity		
Interest payable and other finance costs	80,505	34,079
Grants and donations (received)/repaid	-	-
Interest received	(1,097)	(78)
Net cash generated from Operating activities	<u>98,329</u>	<u>27,965</u>

15a Analysis of changes in net debt

	2023	Cash Flows	Other changes	2024
	£	£	£	£
Long term borrowings	1,094,335	(9,169)	-	1,085,166
Total liabilities	<u>1,094,335</u>	<u>(9,169)</u>	-	<u>1,085,166</u>
Cash and cash equivalents	(87,208)	(9,752)	-	(96,960)
Total net debt	<u>1,007,127</u>	<u>(18,921)</u>	-	<u>988,206</u>

Wickham Community Land Trust

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16. Accommodation in management

At the end of the year, accommodation in management for each type of property was as follows:

	2024	2023
Shared ownership	4	4
Intermediate rent	4	4
Affordable rent	<u>10</u>	<u>10</u>
	18	18
	<u> </u>	<u> </u>

17. Company limited by guarantee

Wickham Community Land Trust is a company limited by guarantee and has no share capital. As at 31st March 2024 there were 9 (nine) members. Every member promises, if the Company is wound-up, to contribute such sum (not exceeding £10) as may be demanded of him or her towards any deficit.

18. Director Information

No remuneration was paid to the Directors during the year (2023: £nil).

19. Capital commitments

At 31st March 2024 there were no capital commitments (2023: none).

20. Related parties

During the year, expenses of £492 were reimbursed to 1 trustee (2023: £345). No expenses were reimbursed to a company in which a trustee has an interest.

21. Ultimate controlling party

Wickham Community Land Trust is ultimately controlled by the board of Trustees.

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2024

Company Reg. No: 06608621

Charity Number: 1134897

Appendix:

THESE ARE STANDARD SURVEY QUESTIONS ASKED OF ALL "REGISTERED PROVIDERS" OF AFFORDABLE HOUSING.	
WCLT TENANT SATISFACTION FROM 2023/2024 SURVEY	
Proportion of respondents who report that they are satisfied with the overall service from WCLT	100%
Proportion of respondents who report that they are satisfied WCLT listens to their views and acts upon them	100%
Proportion of respondents who report that they are satisfied that WCLT keeps you informed about things that matter to them	100%
Proportion of respondents who reported making a complaint in the last 12 months and who are satisfied with WCLT's approach to complaints handling	100%
Proportion of respondents with communal areas who report that they are satisfied that WCLT keeps communal areas clean and well maintained	67%
Proportion of respondents who report that they are satisfied that WCLT makes a positive contribution to the neighbourhood	100%
Proportion of respondents who report that they are satisfied with WCLT's approach to handling anti-social behaviour	89%
Proportion of respondents who report that they are satisfied that their home is well maintained (<i>not shared owners</i>)	100%
Proportion of respondents who report that they are satisfied that their home is safe	100%
Proportion of respondents who have received a repair in the last 12 months who report that they are satisfied with the overall repairs service (<i>not shared owners</i>)	100%
Proportion of respondents who have received a repair in the last 12 months who report that they are satisfied with the time taken to complete their most recent repair (<i>not shared owners</i>)	100%
Proportion of respondents who report that they agree WCLT treats them fairly and with respect	100%
<i>WCLT added question (not shared owners):</i> Proportion of respondents who report that they agree Byrne Runciman treats them fairly and with respect	100%

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WCLT added question: Proportion of respondents who report that they are satisfied with the general estate management?	91%
WCLT TENANT SATISFACTION MEASURES FROM MANAGEMENT INFORMATION. 01/04/23-31/03/24	
The Number of Stage One complaints made by tenants received during 2023 2024. (All residents)	3
The Number of Stage Two complaints made by tenants received during 2023 2024 (All Residents)	0
Proportion of: 1. stage one complaints responded to <i>and</i> 2. stage two complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales.	100%
Number of: 1. anti-social behaviour cases, <i>of which</i> 2. anti-social behaviour cases that involve hate incidents opened per 1,000 homes.	0
Proportion of homes that do not meet the Decent Homes Standard (<i>not shared owners</i>)	0
Proportion of non-emergency responsive repairs completed within the landlord's target timescale (<i>not shared owners</i>) The target timescales used to generate this are: Urgent -7 days, Non urgent -28 days	52%
Proportion of emergency responsive repairs completed within the landlord's target timescale of 1 day (<i>not shared owners</i>)	100%
Proportion of homes for which all required gas safety checks have been carried out (<i>Wykeham Vale only, no gas at Houghton Gardens</i>)	100%
Proportion of homes for which all required fire risk assessments have been carried out (<i>Two first floor flats without communal areas</i>)	100%
Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out	N/A
Proportion of homes for which all required legionella risk assessments have been carried out.	100%
Proportion of homes for which all required communal passenger lift safety checks have been carried out	N/A

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Key points from the survey with lower satisfaction or less than 100% performance (in order listed above):

WCLT communal areas - only 3 responses in total, so 1 response neither satisfied nor dissatisfied. Related to Houghton Gardens but not in a WCLT managed communal area.

WCLT approach to anti-social behaviour - primarily Wykeham Vale, not dissatisfied, but "neither satisfied nor dissatisfied" and "fairly satisfied" responses, discussed at residents meetings and tenants visits, and WCLT continues to follow up with issues raised by residents about external anti-social behaviour and with any ongoing issues raised about other residents.

General estate management (where not WCLT direct responsibility) - discussed in residents' meetings and following up with estate management companies at Wykeham Vale and with Hyde at Houghton Gardens.

Proportion of non-emergency responsive repairs: This year more repairs in this category were dealt with under defects with the developer so WCLT had less control over timescales, communal area repairs undertaken by Hyde are also not under our control but this figure also reflects the fact that routine repairs which are non urgent are done outside the 28 days timescale where we can arrange jobs with contractors to reduce costs without inconveniencing residents.

NOTES to SURVEY:

The WCLT Satisfaction survey for the period 2023/2024, using questions provided by the Regulator for Social Housing and with two additional questions, was carried out in October 2023. It was a full census of WCLT's 18 resident households on two estates in Wickham. 4 households were shared owners, 4 households were intermediate rent residents and 10 households were affordable rent households. No households were omitted. All residents were given advance notice that the survey would take place, it was then hand delivered with a reply envelope and residents were asked to return the questionnaires in a sealed envelope to our registered office in the village Centre. This was a short walk from both estates, and questionnaires could be returned at any time. There were two questionnaires - one for tenants and one for shared owners (the repairs, maintenance and managing agent questions were not applicable to them). Several reminders were sent by email and residents had three weeks to return the questionnaire. The questionnaires were anonymous.

Residents were asked if they were resident at Houghton Gardens or Wykeham Vale, and had the option of adding their own comments and giving their name if they would like a response.

There were 11 responses (from 18 possible), a 61% response rate

One question was omitted (TP03) from the original survey so this was asked through an online survey sent by email. Again this was a full census of rented properties (the question was not applicable to shared owners), no households were omitted and the data was anonymous. Residents had 4 weeks to complete the online questionnaire.

There were 6 responses (from 14 possible), a 43% response rate

Wickham Community Land Trust

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No incentives were offered and no external contractors were used for either surveys, the online survey was conducted through "SurveyMonkey".

A 61% (just under two thirds) response rate is very good by usual survey standards but it should be possible to generate a higher response. There were fewer responses from Wykeham Vale residents (50%) than from Houghton Gardens, as they have moved in more recently and know Wickham CLT less well it is hoped we can generate a higher response rate in future surveys. The lower response rate to the on line single question survey is understandable as those who did not have a repair may have decided there was little point opening the survey but it could suggest that doing an on line survey rather than a paper questionnaire may not generate a higher response rate.

The survey results for the two estates were discussed at tenancy visits and at local residents' meetings and feedback was asked on all the issues where fewer residents were completely satisfied, as well as those with a less than 100% satisfied score. The next survey will take place in 2025/6 but Management Information will be reported annually.

NOTE: These Appendix pages do not form part of the statutory financial statements

WICKHAM COMMUNITY LAND TRUST

England & Wales - Charity number 1134897

Accounts

06608621

Wickham Community Land Trust
A Registered Charity and Company Limited by Guarantee
Annual Report and Financial Statements for the year ended
31 March 2023

Company Registration Number: 06608621
Registered Charity Number: 1134897

Registered Office:
Byrne Runciman,
The Square,
Wickham, Hampshire.
PO17 5JT

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DIRECTORS' REPORT

The directors present their annual report and the financial statements for the year ended 31 March 2023.

1. PURPOSES OF THE CHARITY

1.1 Purposes as set out in Wickham Community Land Trust's governing document

The charity's purposes are set out in the objects in the Company's Memorandum of Association as follows:

- The provision of social housing and housing to relieve financial hardship; and
- To promote such other charitable purposes as may from time to time be determined subject to the prior written consent of the Charity Commission.

Wickham Community Land Trust (WCLT) is dedicated to the provision of affordable housing in Wickham to relieve the financial hardship of eligible beneficiaries living in the village, surrounding area or with employment in the area; holding the property for the long term public good and protecting it from the damaging effects of asset price inflation and speculation and thereby enabling the provision of affordable housing now and for subsequent generations. (Note: since the year end, the civil parish of Wickham has been re-named "Wickham and Knowle", the boundaries of which are co-terminus with those of Wickham parish at the grant of the Trust's charitable status. All references in this report and future references to "Wickham" therefore relate to the parish of "Wickham and Knowle").

1.2 Summary of activities in support of the purposes

- Manage the business of the Trust in such manner as to cover costs and, as a not-for-profit organisation, to re-invest for maintenance of the properties
- Maintain and run our properties in such a way that they can remain a long-term public benefit, contributing to the sustainability of this community
- Manage the on-going movement of residents into and out of the properties so that the homes remain a benefit to those who qualify to occupy them on grounds of need
- Maintain the affordable nature of the accommodation
- Retain the freehold of the properties in accordance with the charitable aims of WCLT to provide asset lock
- Pursue opportunities to further meet WCLT's charitable objectives through the provision of additional affordable homes in the vicinity, working in co-operation with Winchester City Council and Homes England
- Monitor and review the charity's performance against its charitable objectives on a regular basis.

1.3 Summary of Activities in relation to public benefit

- WCLTs main focus is on providing housing for those who cannot afford from their own resources to buy or rent a home on the open market
- The housing of those living in situations inadequate or unsuitable for their needs, regardless of their age, sex, marital status or any other differentiator
- The housing of families living in overcrowded conditions by virtue of inability of young adults to find alternative affordable homes
- Housing those who lose their open market rental homes because of sale or increased rent
- The housing of key workers serving the local area
- Provision of housing to a number of households with local connection enabling them to receive support from their families (e.g. childcare) or to provide support to family members who need help (e.g. to elderly relatives)
- Shorter journey times for those residents with work in the local area.

WCLT is not aware of any detriment or harm arising from the organisation's aims.

1.4 Benefit to a section of the public

The public which benefits from our work is made up of a cross section of age groups unable from their own resources to afford a home on the open market.

- Eligibility for housing

Selection criteria for applicants include housing need, inability to afford property to buy or to rent on the open market, the ability to meet the affordable rent/mortgage outgoings on a WCLT home, suitability of the homes WCLT has available to meet the applicants' needs and local connection (see Geographical Restriction below).

- Geographical Restriction

WCLT serves the geographical area of Wickham in Hampshire, its adjoining parishes and the administrative area of Winchester City Council, in that order of priority. Being an attractive village within reach of three cities, Winchester, Portsmouth and Southampton, Wickham's house prices, both for purchase and rent, are high and beyond the means of many people from this specific vicinity who wish to be able to live in the community from which they come or in which they work.

1.5 Identifying Public Benefit

The impact of our achievement goes wider than those families we house, and its public benefits include the following:

- A reduction in the number of people seeking affordable housing in the area
- A reduction in local barriers to housing
- An increase in housing stock available for affordable homes
- Increased availability of local accommodation for key workers serving the local area

- A reduction in distances between home and workplace for people working in the area
- The retention of assets within the local community for public benefit, providing a long-term asset lock.

1.6 Private benefit

No-one receives any private benefit from WCLT.

1.7 Directors' Public Benefit Statement

The Directors of WCLT confirm that in drawing up this report they have been aware of their duty to report on public benefit and have paid due regard to the Charity Commission's guidance in this respect.

1.8 Contribution made by volunteers

WCLT has no employees. All work undertaken by directors and our part-time bookkeeper, Mrs Brenda Farrow, is undertaken on a voluntary basis.

1.9 Additional Information

WCLT employs a Managing Agent for its rental properties. While the selection process of suitable eligible persons to occupy its properties remains under the control of WCLT, once that process is complete the Managing Agent deals with the collection of rent and service charge and manages repairs. However, WCLT remains closely involved in management issues and directly manages the shared ownership properties.

2. ACHIEVEMENTS AND PERFORMANCE

2.1 Quantitative and Qualitative Information

In this financial year the number housed by the Trust increased to 43 individuals (adults and children) who qualify under the categories outlined in 1.3 above. This number is higher than the previous year (24) because the Trust acquired 10 new properties during the financial year, taking the total portfolio to 18 properties. There were few changes in tenant occupation during the year: one tenant in a 2 bedroom/3-person house, moved to one of the newly acquired properties offering 3 bed accommodation as the children were reaching an age requiring them to have separate bedrooms. One other tenant moved out to new accommodation elsewhere. There were, therefore, two voids but these each lasted less than a month as they were re-occupied by new tenants within a matter of weeks.

Feedback from our residents remains consistently appreciative.

2.2 Meeting the Social Housing Regulator's Standards

Directors continue to use the Regulator's Economic and Consumer Standards as points of reference for measuring our service-delivery.

2.2.1 Governance and Financial Viability Standard WCLT 's Code of Practice and Financial Viability, based on the standard, sets out the fundamental values which underpin WCLT's practice and ensures that it a) meets the Regulator's standard and b) conducts its business in an effective, transparent and accountable manner. The Board certifies its compliance with the standard during the course of 2022/2023.

2.2.2 Value for Money Standard (VFM):

The WCLT Board regularly reviews all areas of its operation to look at opportunities for reducing costs or securing additional income in line with its Value for Money Policy.

The voluntary time of Board Members in running the organisation "hands on" is a key contributor to constraining costs as well as providing a responsive service – examples include our financial and administrative returns, lettings, management of shared ownership properties, financial management and reporting. The Board recognises that as WCLT grows additional paid administrative and financial resources will be required and future projects include financial provision for such additions. The Trust has ownership of 18 affordable properties at the end of the financial year. If further properties are acquired beyond this level, it will be necessary to put into place more formal arrangements, probably requiring part-time employment.

The Board recognises that maintenance costs are increasing as properties acquired in 2012 age and has increased budgetary provision in its plans for future years.

In April 2018, the Regulator of Social Housing published new standards to Registered Providers by which to establish comparative Value for Money metrics. While these are a useful tool generally the Board is aware that, being a relatively small provider, such metrics have to be used with caution and broad comparisons are not reliable.

The Board feels that the following are relevant measures and we present our performance evaluation against each parameter:

		2022/23	2021/22
Metric 1	Reinvestment	0.66	-
Metric 2	New supply	0.56	-
Metric 3	Gearing	0.42	(0.28)
Metric 4	EBITDA MRI interest cover	0.65	2.97
Metric 5	Social Housing cost (per unit owned)	£4,581	£4,671
Metric 6	Operating Margin	0.07	0.25
Metric 7	Return on Capital Employed	0	0.01

Metrics 1 and 2 - Reinvestment and New Supply have been introduced this year following the purchase by WCLT of additional houses.

2.2.3 Rent Standard: whilst WCLT is exempt from this standard through its provision of housing for intermediate rent, the Board refers to the Regulator's Guideline Limit in its rent review, as recommended in the standard. In 2022/23 WCLT applied a rent increase of 3.45% to its intermediate rent properties and an 8.6% rise to its shared ownership properties in order to maintain affordability, although the Rent Standard guideline would have allowed higher increases. The Trust was mindful of the economic strain on tenants' budgets as a result of the "cost of living crisis" and kept rent increases to a minimum but deliberately held rents lower than had been allowed in the previous year.

The ten new properties acquired in August 2022 (n=5) and January 2023 (n=5) are governed by the terms of an s106 agreement which pegs them to rents equal to Local Housing Allowance.

2.2.4 Home Standard

- i) **Quality of accommodation:** WCLT's 18 homes meet the Government's Decent Homes requirement and also Sustainability Code 3 and Lifetime Homes criteria.
- ii) **Repairs and Maintenance:** WCLT is responsive to matters of ongoing repair and maintenance.

2.2.5 Tenant Involvement and Empowerment Standard

WCLT convened a meeting with residents on 29th November 2022 to disseminate information, explain charges and to capture residents' views and respond to any of their concerns. More details are given at 6.4 below.

WCLT's Managing Agent also visits tenants in their homes. All tenant reviews remain positive and feedback in respect of WCLT performance has also been positive. Those tenants reaching the completion of their sixth year in residence have renewed their tenancies. WCLT will continue to take account of tenants' views in monitoring its performance as a landlord.

2.2.6 Neighbourhood and Community Standard

In managing its current portfolio WCLT works to good effect with Hyde Group, Aster Homes, Wickham Community Association and Wickham Parish Council in respect of grounds maintenance, street lighting, the access road and community issues and with Winchester City Council and Wickham Festival organisers.

2.2.7 Tenancy Standard. Although as a provider of intermediate homes WCLT is exempt from this standard, WCLT still retains its current tenancy standard as a useful guide and operational reference point in relation to tenancies and tenancy review processes.

2.3 Achievements against objectives set

The objectives of the Trust were reviewed during the year and the Board agreed that they were still valid and should be carried forward into the next planning period 2023 – 2025. Satisfactory progress was achieved in all the ongoing management objectives and the first five homes planned for

acquisition in Wykeham Vale were purchased in July 2022. Delays in construction encountered by the developer (Croudace Homes Ltd) as a result of the pandemic, loss of workers returning to the EU after Brexit and supply constraints meant that these were acquired some 10 months later than originally planned and many of the costs associated with the acquisition were incurred in the prior financial year. The delays in delivery meant that the remaining five homes agreed to be purchased were also not completed in the time planned, completion of the purchases eventually taking place in January 2023. Financing arrangements for these ten acquisitions (grants of £410,000 from Winchester City Council, £150,000 from South Downs National Park, and £250,000 from a legacy donation to the Trust, and loans from Triodos Bank totalling £844,160) were all in place before the start of the financial year and were executed as planned.

Detailed financial modelling was updated with each increase in the Bank of England base rate as the loan finance with Triodos Bank is on a variable basis of 3% above base. Because interest rates were rising with each month in the second half of the financial year, the Board agreed to supplement grant funds with £50,000 from reserves in order to reduce exposure to loan finance, reducing the total of Triodos loans to £794,160. Triodos required the Trust to meet two conditions for the two loans arranged with them. The first, Loan to Value (LTV) 75%, was shown always to be achievable because total loans required for the whole project represented only 50% of the total purchase price for all the units. The second criterion, however, repayment cover at 1.25, inevitably was affected by increases in interest rates. Modelling demonstrated that the Trust would be able to meet this requirement up to and including a Bank Rate of 3%. Above that figure, it was not possible to match the target and the base rate reached 4% in March 2023. Impact of this rate therefore had little effect in FY 2022/23.

Although not applicable to the Report for FY 2022/23 it is important that the Board should comment on the position as it has continued to evolve into the next financial year. The Board is pleased to report that as rates continued to rise during calendar year 2023, Triodos agreed that the larger of the two loans with them could be split into two with one of them being interest only for a period of 10 years. This arrangement, although not affecting the financial year period subject of this report, enabled the Board to agree to enter into the second tranche of finance in quarter 4 of FY 2022/23 in order to complete the purchase of the second group of five homes. The continued rises in interest rates is concerning but the Trust has assumed in its budget an average Bank Rate of 4% for FY23/24 which, assuming rates start to slow in the second half, should mean that overall financial outcome will be a manageable loss which can be covered by the strong reserves position held by the Trust. It will mean, however, that, until rates fall back, the repayment cover requirement of the Triodos loans will not be met and we will need the Bank to be flexible in their attitude to risk. The Board has received comfort in principle in this regard and it is to be hoped that reliance on reserves will not be prolonged. It should be noted, however, that cash reserves at the end of FY 2022/23 stood at £87,000, far higher than our 6-month operating costs policy and sufficient to withstand further rate rises and prolonged high rates. Nevertheless, this is not a comfortable position, and the Board continues to monitor the impacts in order to be ready to take action if necessary.

3. FINANCIAL REVIEW

The financial statements have been prepared in accordance with the Housing SORP 2018.

Under this SORP the capital grant from Homes England used for the purchase of homes in Houghton Gardens, is classified as deferred income in the Balance Sheet with a proportion being taken each year to the Income and Expenditure account.

Also, under this SORP, the Income and Expenditure account is titled the Statement of Comprehensive Income and the Balance Sheet is called the Statement of Financial Position. In addition, we have included a Statement of Cash Flows.

The principal financial management policies in force are WCLT's Financial Controls Policy, Monitoring and Review Policy and WCLT's Reserves Policy.

3.1 Financial position at the end of the period

We are reporting a deficit for the year of £22,455 (2022 surplus of £5,348).

The Trust's operating performance in this financial year has been consistent with prior years. The cash position at the end of the year was strong as a result of the Trust having received a high proportion of the acquisition costs for the properties in Wykeham Vale from grants and a determination not to utilise more than was necessary of a legacy donation of £250,000 received in the prior year. As a result the accounts record a free cash position of £87,000 at the end of the year. As a result of the interest rate rises outlined above, the P&L for the year will show for the first time in the Trust's history a marginal operating loss. Fortunately cash surpluses mean that this can be covered satisfactorily in the short-term but will cause concern and the need for action if rates continue higher than 3% for more than one financial year.

3.2 Reserves

WCLT's Reserves Policy states the Trust's intention to hold reserves to the equivalent of at least 6 months' of normal operating costs in order to:

- ensure continuity in meeting the needs of beneficiaries and the Charity's financial obligations
- ensure the Charity can bridge cash flow problems in periods of changeover when beneficiaries leave or move into properties or rental income drops at such times
- maintain and develop its charitable activities.

In line with Charity Commission guidance this policy was reviewed in July 2022 and will be reviewed annually.

As at 31 March 2023 the Trust held reserves of £329,396 (2022: £351,851). The reserves held at the end of the Financial Year are the equivalent of 48 months' operating expenditure.

3.3 Principal Funding Sources

3.3.1 Lenders in the period were as follows:

- Charity Bank

- Winchester City Council
- Hyde Group
- Triodos Bank

3.3.2 Donations:

- £1147 (2022 £nil)

3.4 Rental Income

3.4.1 Rental Income from the 14 rental properties and 4 shared ownership properties has provided a steady income throughout the financial year, enhanced inevitably by the additional 10 homes acquired during the year. Hence rental income was £37,000 higher than in the prior year. There were two void periods owing to tenants serving notice but neither of these lasted more than a few weeks. There were void periods for each of the new properties acquired on Wykeham Vale whilst we approved applications for tenancies, but, again, none of these were for more than a few weeks after the properties were acquired.

3.5 Expenditure

3.5.1 WCLT has continued to be cautious with its expenditure and at the end of the period finances remained healthy. Operating expenditure was higher than in previous years reflecting the increased size of the housing portfolio and directly related administrative and legal expenses. However, the year showed an operating surplus of £10,399 (2022 £13,056)

3.5.2 Maintenance costs were significantly higher than we had budgeted because of the unplanned need to replace some appliances in older properties and the Board's decision to incur expenditure on some improved fittings in the new properties in the interests of our new tenants. The next highest component was one-off legal fees incurred in purchasing the Wykeham Vale properties. The Trust's budget for FY23/24 reflects a conservative attitude to the maintenance cost trend and is expected to return to a more normal pattern.

3.5.3 All payments are governed by WCLT's Financial Controls Policy and any repayment of expenses to directors is made according to the regulations laid down in that policy.

3.6 Risks

3.6.1 The Trust, by the very nature of its business model, is dependent on rental revenues and on external finance, and will thus always remain exposed to potential increases in interest rates. Risks are re-assessed at each Board meeting and increases in interest rates remain the single most significant risk to the business. The extent of this risk as it affects the Trust going into FY23/24 is discussed in detail in section 2.3. It will be essential for the Board to maintain good communication with, and the confidence of, our lenders. Fortunately, the value of our assets (c £4.5m) should be sufficient for our lenders to feel that their positions are sufficiently secure.

3.6.2 Succession planning features in the Trust's regular risk appraisal. This has allowed the Trust to secure the services of a new Company Secretary and a returning Trustee during the year.

- 3.6.3 Plans for future involvement in other sites (see 3.10 below) also feature within our regular assessment of risk.
- 3.6.4 The Corona virus pandemic fortunately had little effect on our tenants but their circumstances were closely monitored and support offered to them should the need arise.
- 3.6.5 The voluntary affordable homes sector is dependent on support from the government. The Trust has benefitted in past years from the availability of the Community Housing Fund (CHF). Despite the national need for affordable housing, the availability of funds to support organisations providing community led solutions is disappointing.
- 3.6.6 The Government has absolved Community Land Trusts from the right to buy that affects other forms of affordable housing provider. If this were to change it would impact the Trust's charitable objects and so this risk is constantly under review.

3.7 Investment

As part of the original loan terms with Charity Bank, WCLT has £8,465 (2022: £8,443) in a Charity Bank Deposit Account. Although Charity Bank has been sufficiently satisfied with the soundness of WCLT's performance to lift this condition WCLT chooses to retain this deposit.

3.8 Fundraising activities

WCLT launched "Friends of Wickham Community Land Trust" in January 2023 and is pleased to report that it has received donations from a small number of local people. The Trust intends to build on this start in years ahead.

3.9 Events subsequent to this report period

- 3.9.1 The two rent reviews conducted in the year, one for the rental properties and one for the shared ownership homes in Houghton Gardens, were conducted in the last quarter of this report period, with implementation following in the subsequent reporting period.
- 3.9.2 The principal events affecting the Trust subsequent to this report period have been the increases in base interest rates. The effect of these and the longer-term impacts are discussed in section 2.3 above.

3.10 Plans for the forthcoming year

In addition to the ongoing management of WCLT's existing properties, the Trust's activities in 2023/2024 will be concentrated on:

- 3.10.1 Ensuring that risks related to interest rates and increases in costs of maintenance are kept under close scrutiny and action taken promptly and as appropriate.
- 3.10.2 Ensuring that tenancies in Wykeham Vale are managed successfully in the first year of their ownership and that all outstanding defects in the second tranche of homes purchased are satisfactorily completed within the 12-month post-acquisition period
- 3.10.3 Discussions with both Winchester City Council and Homes England to develop options for WCLT's acquisition of 20 further homes on a Homes England site at Knowle, near Wickham,

were flagged in the Annual Reports for the last two years. It is understood that issues regarding planning are likely to be resolved during FY23/24 and the Trust's participation will depend on the terms of financial provision by grant-making bodies

3.10.4 WCLT maintaining its excellent working arrangements with the managing agent, the City Council and the management companies responsible for common areas of sites on which its properties are situated.

3.10.5 WCLT has addressed issues of scaling up to deal with these potential developments and recruiting extra trustees to cover increased workload and/or to employ a member of staff to assist with the increased administrative work.

3.10.6 The Trust will continue its campaign to inform more widely local people of the Trust's work, and build further the Friends network. It will work to increase the likelihood of significant donations from local people to support its work

4. STRUCTURE, GOVERNANCE AND MANAGEMENT

4.1 Governing Document

Wickham Community Land Trust (WCLT) is registered in England and Wales as a Company Limited by Guarantee with charitable aims, with the governing documents being Memorandum and Articles of Association. It was registered as such on 2nd June 2008

4.2 Legal Definition of a Community Land Trust under the Housing & Regeneration Act 2008

WCLT meets the legal definition of a community land trust as defined by the Act.

4.3 Members and Membership

Subscribers to the Memorandum and Articles of Association were the first members of the Charity. Membership is open to other individuals or organisations who apply to the Charity in the form required by the Directors and who are approved by the Directors. The Board hopes to recruit new members in this way as part of its succession planning.

There is one class of membership.

Persons with Significant Control: WCLT keeps a register in which to record such but at present the position is Nil.

In accordance with our Conflicts of Interest Policy all directors are required to complete annually a Register of Interests.

There have been no changes to the composition of the Trust Board during the year with the exception of the appointment of David Peters to replace Anthony Raymer as Trustee and Company Secretary.

Any local authority appointments should be maintained at less than 20% of the total board. There are currently no LA appointments represented on the Board.

4.4 Director Induction, Training and development

Directors are provided with a Trustee Role Description and asked to sign a Trustee Code of Conduct and to complete a Declaration in respect of Individual Voluntary Arrangements, bankruptcy and unspent convictions. All directors have a copy of the Charity Commission publication 'The Essential Trustee: what you need to know'. Updates in the Charity Commission's Newsletters are disseminated to Directors during the year.

Suitable opportunities for development through attending courses, conferences or seminars are identified and supported at Board level.

4.5 Organisational and Structural Matters

4.5.1 Day to Day Management

The day-to-day management of WCLT is undertaken either by an executive committee or by the Housing Sub-Committee. The executive committee consists of the Chairman, Nicol Holladay, the Company Secretary, David Peters (elected September 2022), and the Vice Chairman, Geoffrey Phillpotts, with involvement of the Financial Director where relevant. The Housing Sub-Committee is made up severally of Geoffrey Phillpotts, David Thompson, David Peters and Wendy Greenish to deal with individual housing matters and the allocation of properties. Other directors according to their skills and roles are called on as per actions agreed at meetings. Directors are regularly updated on current issues at the board meetings and all major and policy decisions are taken by the board. The Board is sad to report that, subsequent to the year-end, one of its Trustees, Jane Isaac, passed away and another, Christopher Cook, has had to withdraw from active participation due to ill-health.

4.5.2 **Code of Practice** WCLT has its own Code of Practice and Financial Viability, based on that of the Housing Regulator's Standard, which the Board deems appropriate to the organisation's size and role as a non-profit registered provider.

4.5.3 **Code of Governance** has its own Code of Governance based on that of the Charity Commission. Both this and the Code above set out the fundamental values which underpin WCLT's operation and against which the Board can assess the effectiveness of its governance arrangements and operation.

4.5.4 WCLT's **master tenancy documents** are in line with current legislation.

4.5.5 **Asset Register** WCLT manages its resources prudently to ensure its viability and actively assesses and manages risk. Whilst our properties have not been revalued in the accounts (see accounting policy h) a valuation carried out in April 2018 at the behest of Charity Bank showed that all the eight properties in Houghton Gardens have a market value well in excess of cost and these market values have been noted in the asset register. Properties in Wykeham Vale were independently valued as part of the purchase process and, although house prices have dropped since then, their market value remains well ahead of their purchase cost.

4.5.6 **Data Protection:** in line with current legislation on GDPR WCLT has audited the data it handles. It has published its Privacy Policy and the Board receives a Data Protection report at each meeting.

4.5.7 **Risk Management** Consideration of WCLT's Risk Appraisal is led by Trustee David Thompson and embedded as a regular item in Board Meetings and the Board is satisfied that WCLT's

consideration of risk is sufficiently informed to encompass consideration of both internal and external matters and that WCLT has complied with regulatory requirements to date and will continue to do so in the foreseeable future.

4.5.8 Insurance: WCLT's cover provides for Directors' and Officers' Liability Insurance, Public and Products Liability Insurance, Property Owners' Liability Insurance and Buildings Insurance. WCLT holds NHBC certification for all its thirteen properties.

4.5.9 Legal

i) New tenants are initially offered our Starter Only Assured Shorthold Tenancy, and progress to a five-year Fixed Term Assured Shorthold Tenancy after a satisfactory probationary period.

ii) Shared Ownership Agreements are based on the Homes England Model Lease for Protected Areas, with stair-casing restricted to 80%.

iii) Our tenancy agreements are reviewed and endorsed by our legal advisers.

4.5.10 Registered Office: the Trust's registered office at The Old Post Office was changed after the end of the Report period because the relationship with the owner of the address changed by mutual consent and with full amicable agreement. The new Registered Office address was removed in May 2023 to the address of the Trust's managing agent for rental properties (Byrne Runciman – registered office details updated in Section 5 below).

4.6 Relationships with related parties

4.6.1 Charity Commission: WCLT is a registered charity (registration 12th March 2010). WCLT submits an Annual Return to the Charity Commission and is in receipt of its informative Quarterly Newsletters.

4.6.2 Homes England and Regulator of Social Housing: WCLT is registered as a non-profit private registered provider of social housing with the regulating body. WCLT in terms of regulation counts as a small provider. As a Registered Provider WCLT reports to and receives advice from the regulator and submits its Statistical Data Return under NRosh+.

4.6.3 WCLT, through its own policy documents and processes, both seeks to meet the regulator's Economic Standards and to reflect its Consumer Standards. These underpin WCLT's operations and throughout this financial period WCLT has sought to maintain and review its performance against these operating standards.

4.6.4 Hyde Housing Association: With WCLT owning eight of its current portfolio of properties on a shared site with Hyde Housing Association communication between us is important.

i) The working relationship between WCLT and Hyde's local housing management team is in essence co-operative and effective.

ii) Communication with Hyde Group's centralised departments can be more difficult. WCLT strives to keep the channels of communication open and after some useful exchanges marked improvement has been witnessed. Information regarding projected Estate Charges (see section 6 below: Funds held as custodian trustees) is now improved enabling the Trust better to project financial commitments both for the Trust itself and for tenants in Houghton Gardens

4.6.5 Wykeham Vale Management Company. As part of the arrangements for the purchase of homes in Wykeham Vale, the Trust has entered into a joint agreement with Aster Homes for the management of common areas in the development. The arrangement will take full effect

in 2023/24 but advance notification of charges has been received in FY 202/23 and are considered reasonable. In the lead up to complete handover of its properties from the developer, relationships with the developer, Aster and their Employer's Agent, the Rund Partnership have been very helpful and constructive. There are two outstanding issues requiring resolution: the installation of lighting on parts of the site and a question regarding the wisdom of one of the boundary locations. It is anticipated that these will be resolved to all parties' satisfaction.

4.6.6 Winchester City Council (WCC)

WCLT's relationship with Winchester City Council continues to be supportive of the CLT's aims. The revised allocations policy – required to enable the Trust to comply with s106 conditions for Wykeham Vale – was agreed at the end of FY 2021/22 and has operated successfully during FY 2023/24..

4.6.7 Radian Group: WCLT is party to a service level agreement with the Local HomeBuy Agent, Radian (part of the Abri Group), for housing in Winchester City's district. As part of this, their online property website for the area, originally HomesinHants and now "HelptoBuySouth", advertises WCLT's affordable homes, puts potential applicants in touch with WCLT and notifies WCLT of the waiting list for homes in the area. In turn WCLT provides Radian with WCLT's allocation data. From 2023/4 the Government has replaced Help to Buy South with a national database and WCLT is in discussion with Winchester City Council regards future reporting for our intermediate rent and shared ownership properties.

4.6.8 National CLT Network (NCLT) WCLT is a member and both benefits from this membership and actively supports the NCLT in its work.

4.6.9 Information Commissioner and the Housing Ombudsman: WCLT is registered with the former in respect of Data Protection and, as a provider of social housing, is registered with the Housing Ombudsman Service.

4.6.10 Wickham Parish Council: WCLT maintains its links with Wickham Parish Council with communications with the Clerk to the Parish Council and individual councillors and exhibited at the Parish Assembly in May 2022.

4.6.11 Hampshire Home Choice: as stated in 4.6.5 above, in order that the Trust can offer homes on Wykeham Vale to qualifying tenants, its allocations and nominations policy has been revised to satisfy the requirements of the s106 agreement governing the provision of affordable homes on the site. *Inter alia*, this required the Trust to sign up to advertise affordable vacancies to local people through Hampshire Home Choice.

4.6.12 Byrne Runciman: the Trust's managing agent for rental properties. The firm collects rents from rental properties and is the first port of call for rental tenants for assistance. The relationship between the Trust and Byrne Runciman continues as strongly as ever and they provided great assistance during the short periods of voids experienced during the period and ensuring that homes purchased on Wykeham Vale were in exemplary order when the new tenants moved in. The relationship is an excellent example of local businesses working together for the good of the community.

Wickham Community Land Trust
A Registered Charity and Company Limited by Guarantee
Trustees' Report & Financial Statements for the year ended 31 March 2023
Company Reg. No: 06608621 Charity Number: 1134897

5. REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Charity Name: Wickham Community Land Trust

Charity Registration Number: 1134897

Homes England Registered Provider: 4692

Company Registration Number: 06608621

Registered Office and operational address: Byrne Runciman,
The Square,
Wickham,
Fareham, Hampshire.
PO17 5JT.

Correspondence address: P.O. Box 739, Fareham, Hants, PO14 9RH.

Board of Directors (as at September 2023):

Mr. N. A. Holladay	Chairman
Mr. G.S. Phillpotts	Vice Chairman
The Reverend A. J. Smith	Finance Director
Mr. D. Peters	Director and Company Secretary (elected Sept 2022)
Mr. C. Cook	
Mr. E. Fitzgerald	
Mr. D.R. Thompson	
Mrs Wendy Greenish	
Capt. A. Robinson, RN	(elected Sept 2022)
Ms. S-J Chivers	(elected Sept 2023)

Changes in Board of Directors

Mr. A Raymer	retired March 2023
The Reverend Jane Isaac	deceased June 2023

Bankers: NatWest, 52 West Street, Fareham, Hants. PO16 0JX

Legal Advisers: Anthony Collins Solicitors LLP, 134 Edmund Street, Birmingham, B3 2ES

Auditors: Rothmans Audit LLP, Statutory Auditors and Chartered Accountants, Avebury House, St Peter Street, Winchester, Hampshire, SO23 8BN.

Chartered Surveyors: Chandler Hawkins (Portsmouth)

Managing Agent: Byrne Runciman, Estate Agents, The Square, Wickham, Hampshire, PO17 5JT

6. FUNDS HELD AS CUSTODIAN TRUSTEES

- 6.1 WCLT levies certain monthly charges from their tenants:
- i) Service charges for Maintenance and Sinking Fund together with an administrative and accounting costs fee
 - ii) Estate Service Charge for grounds maintenance at Houghton Gardens undertaken by Hyde Housing and payable to them on invoice. There is a collection fee associated with this.
 - iii) Estate Service charges for Wykeham Vale will be effective starting in FY 203/24
- 6.2 As custodian of funds held on behalf of others WCLT has two Client Accounts into which to deposit sums related to i) and ii) above:
- i) Sums related to the General Service Charges and Estate Service Charges are paid into a current account.
 - ii) Contributions collected for the Sinking Fund are placed in an interest-earning Business Reserve Account.
- 6.3 General Service Charge. WCLT, in its review of rents and service charges in February 2022 decided again to increase the levy rate for Sinking Fund to allow for inflation. This increase of the General Service Charge came into effect from May 2022.
- 6.4 Estate Service Charge:
- 6.4.1 WCLT made progress during the year with Hyde Housing in managing these charges and arrangements for Houghton Gardens, which it is hoped will set a new standard of communication
 - 6.4.2 The Trust makes adequate provisions to meet the charges which are communicated to us and after various corrections that need to be made, annual costs are agreed and paid. We regard that, after several years' experience, budgets are predictable, provisions are adequate, and expenditure is under financial control.

7. CONCLUSION

WCLT has enjoyed a period of solid performance with its longstanding portfolio of properties and the start, after frustrating delays, of a growth period with the completion of purchases in Wykeham Vale. The Trust has concentrated on managing its properties as well as possible for the individual residents and with regard to the long-term aims of the Trust.

From a sound financial base, WCLT has been able to deliver its commitment to extend community-led ownership of affordable properties for the benefit of local people. The addition of the 10 homes on the site to the Trust's portfolio is a major step forward in the growth of the service to local people in need that remains at the heart of the Trust's objectives.

WCLT is very grateful for the support of local people and those organisations with which we have worked over the last few years. We particularly appreciate the good and sometimes special working relationships with these supportive organisations.

Sincere thanks are also due to the directors and our highly efficient bookkeeper, all of whom have given their time and expertise generously and voluntarily to push WCLT's goals forward. WCLT is grateful to all who are keen to continue into next financial year.

The Board is grateful to Anthony Raymer for efficiently carrying out the task of Company Secretary for the past three years and welcomes David Peters, who is already making his mark on the efficiency of the Trust's operations, as his successor. We are also very pleased to welcome back Andrew Robinson and his wise counsel to the Board. Subsequent to the close of the year, the Board was strengthened by the election of Sara-Jane Chivers who brings with her extensive and deep knowledge of the affordable housing sector.

We remain hopeful that Chris Cook will continue in improved health and be able to return to active participation to Board matters. It is with very great sadness, however, that Rev'd Jane Isaac passed away shortly after the end of FY22/23 and we shall greatly miss her guidance and commitment to the Trust. The Board extends its deepest condolences to David and his son Tom.

Finally, the Board pays tribute to its tenants in an expanding portfolio of affordable homes: we are proud of them, and we are delighted that we have been able to provide affordable homes for them in our community.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors 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 these financial statements, the directors are required to:

- ensure continuity in meeting the needs of beneficiaries and the Charity's financial obligations
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Housing SORP
- make judgments and 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 charitable company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. 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 directors are aware:

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board,



David Peters
Director and Company Secretary

18 September 2023

Independent Auditor's Report to the Members of Wickham Community Land Trust

Opinion

We have audited the financial statements of Wickham Community Land Trust (the 'Trust') for the year ended 31 March 2023 which comprise the Statement of Consolidated Income, the Statement of Financial Position, the Cash Flow Statement, the Statement of Changes in Reserves and notes to the financial statements, including 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 Trust's affairs as at 31 March 2023, and of 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, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

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 association 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 board's 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 association'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 board with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report¹, other than the financial statements and our auditor's report 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.

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.

Opinion on other matter 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

Directors' responsibilities

As explained more fully in the directors' responsibilities statement set out on pages 16 and 17, the directors (who are also the trustees 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 directors determine are 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 directors are responsible for assessing the Trust'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 directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The objectives of our audit, in respect to fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures include the following:

- 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 obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and those laws and regulations that had a direct effect on the financial statements.

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

- 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 Trust, including FRS102, the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence and the 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 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.

We identified the greatest risk of a material impact on the financial statements from irregularities, including fraud, to be within the recognition of income and the override of controls. To address the risk of fraud in these areas, we:

- selected a sample of transactions from material income streams and compared expected income to that recorded within the financial statements
- performed procedures to identify any unusual or unexpected relationships
- tested journal entries to identify unusual transactions
- 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
- enquiring of management as to actual and potential litigation and claims
- reviewing correspondence with relevant regulators, including Homes England and the Regulator of Social Housing and the company's legal advisors; and
- reviewed legal and professional expenditure incurred in the year.

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.

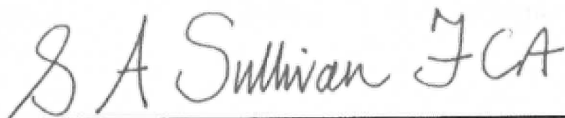
Wickham Community Land Trust
A Registered Charity and Company Limited by Guarantee
Trustees' Report & Financial Statements for the year ended 31 March 2023
Company Reg. No: 06608621 Charity Number: 1134897

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

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 Wickham Community Land Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Trust'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 association and the Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



28 September 2023

Susan Sullivan FCA (Senior Statutory Auditor)

For and on behalf of
Rothmans Audit LLP
Chartered Accountants and Statutory Auditors
Avebury House
6 St Peter Street
Winchester
Hampshire
SO23 8BN

Statement of Comprehensive Income

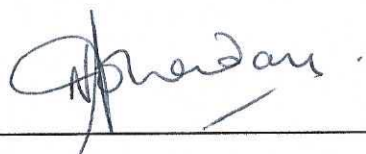
For the year ended 31 March 2023

		2023	2022
	Note	£	£
Turnover	2	92,862	50,427
Operating expenditure	2	(82,463)	(37,371)
Operating Surplus		10,399	13,056
Interest receivable and other income	3	1,225	18
Interest payable and financing costs		(34,079)	(7,726)
(Deficit)/Surplus on ordinary activities before taxation	4	(22,455)	5,348
Taxation	5	-	-
(Deficit)/Surplus for the year and total comprehensive income	14	(22,455)	5,348

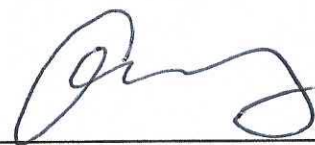
The results relate wholly to continuing activities.

The accompanying notes form part of these financial statements.

The financial statements were approved and authorised for issue by the Directors on 18th September 2023 and signed on their behalf by



Nicol Holladay
Chairman & Director



Geoffrey Phillpotts
Director

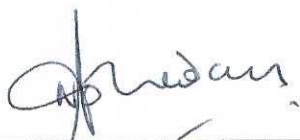
Statement of Financial Position

As at 31 March 2023

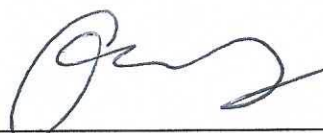
	Note	31 March 2023		31 March 2022
		£	£	£
Fixed assets				
Tangible fixed assets	7		2,244,311	686,253
Current assets				
Prepaid expenses	8	395		3,969
Cash at bank and in hand		87,208		531,572
		87,603		535,541
Creditors – Amounts falling due within one year	9	(31,116)		(226,526)
Net current assets			56,487	309,015
Total assets less current liabilities			2,300,798	995,268
Creditors – Amounts falling due after more than one year	10		(1,959,239)	(632,349)
Provisions for liabilities	13		(12,163)	(11,068)
Total Net assets			329,396	351,851
Reserves				
Income and expenditure reserve	14		329,396	351,851
Total Reserves			329,396	351,851

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Directors on 18th September 2023 and are signed on their behalf by



Nicol Holladay
Chairman & Director



Geoffrey Phillpotts
Director

The notes on pages 25 to 35 form part of these accounts

Statement of Cash Flows

For the year ended 31 March 2023

	<u>Note</u>	<u>2023</u>	<u>2022</u>
		<u>£</u>	<u>£</u>
Net cash generated from operating activities	15	27,965	17,452
Cash Flow from Investing Activities			
Interest received		78	18
Purchase of houses for rent		(1,579,160)	-
Cash Flow from Financing Activities			
Grants received/(repaid)		355,000	(1,300)
New secured loans		794,160	-
Repayment of borrowings		(8,328)	-
Interest paid and other finance costs		(34,079)	(7,726)
Net change in cash and cash equivalents		(444,364)	8,444
Cash and cash equivalents at start of year		531,572	523,128
Cash and cash equivalents at end of year		87,208	531,572

Statement of Changes in Reserves

	Income and expenditure reserve £	Total £
At 1 April 2021	346,503	346,503
Surplus for the year	5,348	5,348
Total comprehensive income	5,348	5,348
At 31 March 2022 and 1 April 2022	351,851	351,851
Deficit/Surplus for the year	(22,455)	(22,455)
Total comprehensive income	(22,455)	(22,455)
At 31 March 2023	329,396	329,396

Notes to the Financial Statements

1. Accounting policies

a) *Legal status*

Wickham Community Land Trust is registered under the Companies Act 2006 as a company limited by guarantee incorporated in England and Wales. It is registered with both the Charity Commission and Homes England as a Registered Provider and is a public benefit entity. Its registered office is Byrne Runciman, The Square, Wickham, Fareham, Hampshire, PO17 5JT

b) *Basis of preparation*

The financial statements have been prepared

- under the historic cost convention
- on the going concern basis
- in accordance with the Statement of Recommended Practice for social housing providers known as the Housing SORP 2018
- in accordance with the Accounting Direction for private registered providers of social housing in England 2019
- in accordance with the Charities Act 2011
- in accordance with applicable UK Generally Accepted Accounting Principles (UK GAAP) accounting standards, including Financial Reporting Standard 102 (FRS 102)
- in accordance with the Companies Acts 2006.

The financial statements are presented in sterling which is the functional currency of the Trust and are rounded to the nearest pound.

As the Company is a charity, the wording of the statutory formats required by the Companies Act 2006 has been appropriately amended in order to give a true and fair view.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

c) *Significant Judgements*

In applying the various accounting policies relevant to social landlords, the trustees have determined to categorise the houses owned by the trust as fixed assets rather than investment properties. As such they are shown at cost rather than market value. As house prices have risen since the houses were acquired by the trust this means that they are shown in the accounts below market value.

d) *Key Assumptions and sources of estimation uncertainty*

The trustees consider that there are no significant areas of uncertainty in the assumptions they have made that would be likely to cause a material change to the carrying value of any assets or liabilities over the next year.

1. Accounting policies (continued)

e) Funds structure

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

f) Turnover

Turnover comprises rental income receivable in the year, service charges receivable in the year and income from shared ownership first tranche sales. Income from first tranche sales is recognised at the point of legal completion of the sale.

g) Expenditure

Expenditure is recognised on an accruals basis.

h) Fixed assets

Housing Properties

The company holds fourteen properties available for rent and four properties available for shared ownership. Fixed assets are stated at cost less accumulated depreciation.

Depreciation

Freehold land is not depreciated.

The company separately identifies the major components which comprise its housing properties and charges depreciation so as to write down the cost of each component to its estimated residual value, on a straight-line basis, over its estimated useful economic life.

The company depreciates the major components of its housing properties over the following timescales

Structure	100 years
Roof	60 years
Kitchen	20 years
Bathroom	30 years
Boiler	15 years
Heating System	30 years
Windows & Doors	20 years
Electrics	30 years

1. Accounting policies (continued)

Impairment

Impairment reviews are carried out as and when evidence comes to light that the recoverable amount of a functional fixed asset is below its net book value due to damage, obsolescence or other relevant factors.

i) Shared ownership properties

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to first tranche sales. The first tranche proportion is classed as a current asset and related sale proceeds included in turnover and the remaining element is classed as fixed assets and included in housing properties at cost, less any provisions needed for depreciation or impairment.

j) Social Housing Grant

Social housing grant (SHG) is receivable from Homes England. Under SORP 2018 the company has adopted the accruals model for the recognition of government grant and is required to account for such grants as deferred income and to take a portion of the grant to income each year. Grants relating to housing properties are recognised in income on a systematic basis over the useful economic life of the housing property structure.

k) Debtors and Creditors due within one Year

Debtors and creditors receivable or payable within one year, and with no stated interest rate, are initially recorded at transaction price and are subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

l) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

The Trust is in receipt of two loans with interest rates below the prevailing market rate of interest. These loans are not repayable on demand and are for the purposes of furthering the objectives of the public benefit entity or public benefit entity parent and are therefore accounted for as concessionary loans. These loans are initially measured at the amount received and in subsequent years the carrying amount of these loans is adjusted to reflect any accrued interest payable.

m) Provisions for Liabilities

Provisions are recognised when the Trust has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

2. Income and Expenditure from Social Lettings

	2023	2022
	£	£
Turnover		
Affordable homes rental income	35,364	-
Intermediate rental income	31,018	31,697
Shared Ownership rental income	15,359	14,215
Government grant taken as income	9,300	3,700
Homes England revenue grant	-	(1,300)
Charges for support services	1,821	2,115
	<u>92,862</u>	<u>50,427</u>
Expenditure		
Maintenance costs	(25,642)	(3,374)
Insurance	(7,094)	(4,160)
Void costs	(17)	-
Property Management Costs	(5,103)	(2,662)
Other costs	(44,607)	(27,175)
	<u>(82,463)</u>	<u>(37,371)</u>

Rental income is stated net of identifiable service charges.

3. Interest receivable and other income

	2023	2022
	£	£
Interest receivable	78	18
Insurance claims	-	-
Donations & grants received	<u>1,147</u>	-
	<u>1,225</u>	<u>18</u>

4. Surplus on ordinary activities

This is stated after charging:

	2023	2022
	£	£
Auditor's remuneration – for audit services	4,950	3,948
Auditor's remuneration – non-audit services	-	360
Depreciation	21,102	12,302
	<u>26,052</u>	<u>16,610</u>

5. Taxation

As a charity, WCLT is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

6. Key management personnel remuneration and employees

Key management personnel neither received nor waived any remuneration during the year. (2022: £nil). The charity had no employees in the current or previous year.

7. Tangible fixed assets

	Freehold Land and Buildings - Affordable Rent	Freehold Land and Buildings - Intermediate Rent	Freehold Land and Buildings - Shared Ownership	Total
		£	£	£
Cost				
At beginning of year	0	495,007	310,166	805,173
Additions	1,579,160	-	-	1,579,160
At end of year	<u>1,579,160</u>	<u>495,007</u>	<u>310,166</u>	<u>2,384,333</u>
Depreciation				
At beginning of year	0	(74,589)	(44,331)	(118,920)
Charge for year	8,800	(7,716)	(4,586)	(21,102)
At end of year	<u>8,800</u>	<u>(82,305)</u>	<u>(48,917)</u>	<u>(140,022)</u>
Net book value				
At 31 st March 2023	<u>1,570,360</u>	<u>412,702</u>	<u>261,249</u>	<u>2,244,311</u>
At 31 st March 2022	<u>0</u>	<u>420,418</u>	<u>265,835</u>	<u>686,253</u>

The above assets, with a net book value of £2,244,311 are pledged as security against the Trust's loans.

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2023

Company Reg. No: 06608621

Charity Number: 1134897

8. Prepaid expenses

	2023	2022
	£	£
Insurance costs	0	3,879
Other	395	90
	<u>395</u>	<u>3,969</u>
	<u><u>395</u></u>	<u><u>3,969</u></u>

9. Creditors – Amounts falling due within one year

	2023	2022
	£	£
Bank Loans (note 12)	10,729	6,687
Other creditors	4,943	7,191
Accrued expenses	4,950	3,948
Accrued service charges payable	1,194	-
Deferred income from Homes England grant	3,700	3,700
Deferred grant from Winchester City Council	5,600	205,000
	<u>31,116</u>	<u>226,526</u>
	<u><u>31,116</u></u>	<u><u>226,526</u></u>

10. Creditors – Amounts falling due after more than one year

	2023	2022
	£	£
Bank loans (note 12)	998,316	217,022
Loans from other institutions (note 12)	85,290	84,794
Deferred income from grants (note 11)	875,633	330,533
	<u>1,959,239</u>	<u>632,349</u>
	<u><u>1,959,239</u></u>	<u><u>632,349</u></u>

The loans from other institutions are concessionary loans with interest rates below the prevailing market rate.

11. Deferred Grant Income

	2023	2022
	£	£
At 1 April	539,233	542,933
Received in the year	355,000	-
Released to income in year	<u>(9,300)</u>	<u>(3,700)</u>
At 31 March	<u>884,933</u>	<u>539,233</u>
Amounts to be released within 1 year	9,300	208,700
Amounts to be released in more than 1 year	<u>875,833</u>	<u>330,533</u>
	<u>884,633</u>	<u>539,233</u>

12. Bank loans and loans from other institutions

	2023	2022
	£	£
Due within one year and on demand	10,729	6,687
Due after one year but less than two years	11,550	6,942
Due after two years but less than five years	39,851	22,455
Due after more than five years	<u>1,032,205</u>	<u>272,418</u>
	<u>1,094,335</u>	<u>308,502</u>

The aggregate amount of debt secured upon the affordable rental properties, intermediate rental properties and the share of shared ownership properties retained by the trust is £1,094,335

The loans bear interest at 3% above Bank of England base rate. One loan is interest only for the first 10 years.

Due to recent increases in interest rates, the Trust is not currently compliant with loan covenants which require it to maintain Debt Service Cover of at least 1.25:1 for one lender, and 1:1 for a second lender. This affects loans with a carrying value of £779,299. The Trust has advised the lender of the impact of interest rate rises as they have been announced and at the date on which these accounts were approved the Trust remains in breach of these covenants, however the affected lenders have not requested any renegotiation of the agreed terms of the affected loans.

13. Provisions for liabilities and charges

	2023	2022
	£	£
Provision for future overhaul	<u>12,163</u>	<u>11,068</u>

Provisions for liabilities and charges comprise of amounts set aside for the future overhaul of the properties.

14. Reserves

	Unrestricted general reserves	Total reserves
	£	£
Balance as at 1 April 2022	351,851	351,851
Surplus /(deficit) for year	(22,455)	532,934
At 31 March 2023	<u>329,396</u>	<u>884,785</u>

15. Statement of Cash Flows from Operating Activities

	2023	2022
	£	£
Surplus/(deficit) for the year	(22,455)	5,348
Adjustment for non-cash items		
Depreciation	21,102	12,302
Amortisation of government grant	(9,300)	(3,700)
Decrease/(Increase) in prepayments	3,575	(221)
(Decrease)/increase in creditors	(53)	195
Increase/(Decrease) in loans	-	(6,575)
Increase in provisions	1,095	1,095
Adjustment for investing and financing activity		
Interest payable and other finance costs	34,079	7,726
Grants and donations (received)/repaid	-	1,300
Interest received	(78)	(18)
Net cash generated from Operating activities	<u>27,965</u>	<u>17,452</u>

15a Analysis of changes in net debt

	2022	Cash Flows	Other changes	2023
	£	£	£	£
Long term borrowings	308,502	785,833	-	1,094,335
Total liabilities	<u>308,502</u>	<u>785,833</u>	-	<u>1,094,335</u>
Cash and cash equivalents	(531,572)	444,364	-	(87,208)
Total net debt	<u>(223,070)</u>	<u>1,230,197</u>	-	<u>1,007,127</u>

16. Accommodation in management

At the end of the year, accommodation in management for each type of property was as follows:

	2023	2022
Shared ownership	4	4
Intermediate rent	4	4
Affordable rent	<u>10</u>	<u>-</u>
	<u>18</u>	<u>8</u>

17. Company limited by guarantee

Wickham Community Land Trust is a company limited by guarantee and has no share capital. As at 31st March 2023 there were 10 (ten) members. Every member promises, if the Company is wound-up, to contribute such sum (not exceeding £10) as may be demanded of him or her towards any deficit.

18. Director Information

No remuneration was paid to the Directors during the year (2022: £nil).

19. Capital commitments

At 31st March 2023 there were no capital commitments (2022: none).

20. Related parties

During the year, expenses of £345 were reimbursed to 1 trustee (2022: £nil). No expenses were reimbursed to a company in which a trustee has an interest.

21. Ultimate controlling party

Wickham Community Land Trust is ultimately controlled by the board of Trustees.

WICKHAM COMMUNITY LAND TRUST

England & Wales - Charity number 1134897

Accounts

06608621

Wickham Community Land Trust
A Registered Charity and Company Limited by Guarantee
Annual Report and Financial Statements for the year ended
31 March 2022

Company Registration Number: 06608621
Registered Charity Number: 1134897

Registered Office:
The Old Post Office,
Station Road,
Wickham, Hampshire.
PO17 5JA

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DIRECTORS' REPORT

The directors present their annual report and the financial statements for the year ended 31 March 2022.

1. PURPOSES OF THE CHARITY

1.1 Purposes as set out in Wickham Community Land Trust's governing document

The charity's purposes are set out in the objects in the Company's Memorandum of Association as follows:

- The provision of social housing and housing to relieve financial hardship; and
- To promote such other charitable purposes as may from time to time be determined subject to the prior written consent of the Charity Commission.

Wickham Community Land Trust (WCLT) is dedicated to the provision of affordable housing in Wickham to relieve the financial hardship of eligible beneficiaries living in the village, surrounding area or with employment in the area; holding the property for the long term public good and protecting it from the damaging effects of asset price inflation and speculation and thereby enabling the provision of affordable housing now and for subsequent generations. (Note: (Note: since the year end, the civil parish of Wickham has been re-named "Wickham and Knowle", the boundaries of which are co-terminus with those of Wickham parish at the grant of the Trust's charitable status. All references in this report and future references to "Wickham" therefore relate to the parish of "Wickham and Knowle").

1.2 Summary of activities in support of the purposes

- Manage the business of the Trust in such manner as to cover costs and, as a not-for-profit organisation, to re-invest for maintenance of the properties
- Maintain and run our properties in such a way that they can remain a long-term public benefit, contributing to the sustainability of this community
- Manage the on-going movement of residents into and out of the properties so that the homes remain a benefit to those who qualify to occupy them on grounds of need
- Maintain the affordable nature of the accommodation
- Retain the freehold of the properties in accordance with the charitable aims of WCLT to provide asset lock
- Pursue opportunities to further meet WCLT's charitable objectives through the provision of additional affordable homes in the vicinity, working in co-operation with Winchester City Council and Homes England
- Monitor and review the charity's performance against its charitable objectives on a regular basis.

1.3 Summary of Activities in relation to public benefit

- WCLTs main focus is on providing housing for those who cannot afford from their own resources to buy or rent a home on the open market
- The housing of those living in situations inadequate or unsuitable for their needs, regardless of their age, sex, marital status or any other differentiator
- The housing of families living in overcrowded conditions by virtue of inability of young adults to find alternative affordable homes
- Housing those who lose their open market rental homes because of sale or increased rent
- The housing of key workers serving the local area
- Provision of housing to a number of households with local connection enabling them to receive support from their families (e.g. childcare) or to provide support to family members who need help (e.g. to elderly relatives)
- Shorter journey times for those residents with work in the local area.

WCLT is not aware of any detriment or harm arising from the organisation's aims.

1.4 Benefit to a section of the public

The public which benefits from our work is made up of a cross section of age groups unable from their own resources to afford a home on the open market.

- Eligibility for housing

Selection criteria for applicants include housing need, inability to afford property to buy or to rent on the open market, the ability to meet the affordable rent/mortgage outgoings on a WCLT home, suitability of the homes WCLT has available to meet the applicants' needs and local connection (see Geographical Restriction below).

- Geographical Restriction

WCLT serves the geographical area of Wickham in Hampshire, its adjoining parishes and the administrative area of Winchester City Council, in that order of priority. Being an attractive village within reach of three cities, Winchester, Portsmouth and Southampton, Wickham's house prices, both for purchase and rent, are high and beyond the means of many people from this specific vicinity who wish to be able to live in the community from which they come or in which they work.

1.5 Identifying Public Benefit

The impact of our achievement goes wider than those families we house, and its public benefits include the following:

- A reduction in the number of people seeking affordable housing in the area
- A reduction in local barriers to housing
- An increase in housing stock available for affordable homes
- Increased availability of local accommodation for key workers serving the local area

- A reduction in distances between home and workplace for people working in the area
- The retention of assets within the local community for public benefit, providing a long-term asset lock.

1.6 Private benefit

No-one receives any private benefit from WCLT.

1.7 Directors' Public Benefit Statement

The Directors of WCLT confirm that in drawing up this report they have been aware of their duty to report on public benefit and have paid due regard to the Charity Commission's guidance in this respect.

1.8 Contribution made by volunteers

WCLT has no employees. All work undertaken by directors and our part-time bookkeeper, Mrs Brenda Farrow, is undertaken on a voluntary basis.

1.9 Additional Information

WCLT employs a Managing Agent for its rental properties. While the selection process of suitable eligible persons to occupy its properties remains under the control of WCLT, once that process is complete the Managing Agent deals with the collection of rent and service charge and manages repairs. However, WCLT remains closely involved in management issues and directly manages the shared ownership properties.

2. ACHIEVEMENTS AND PERFORMANCE

2.1 Quantitative and Qualitative Information

In this financial year the number housed by the Trust increased to 24 individuals (adults and children) who qualify under the categories outlined in 1.3 above. There were no changes in tenant occupation during the year, and there were, therefore, no void periods.

Feedback from our residents remains consistently appreciative.

2.2 Meeting the Social Housing Regulator's Standards

Directors continue to use the Regulator's Economic and Consumer Standards as points of reference for measuring our service-delivery.

- 2.2.1 Governance and Financial Viability Standard** WCLT's Code of Practice and Financial Viability, based on the standard, sets out the fundamental values which underpin WCLT's practice and ensures that it a) meets the Regulator's standard and b) conducts

its business in an effective, transparent and accountable manner. The Board certifies its compliance with the standard during the course of 2021/2022.

2.2.2 Value for Money Standard (VFM):

The WCLT Board regularly reviews all areas of its operation to look at opportunities for reducing costs or securing additional income in line with its Value for Money Policy.

The voluntary time of Board Members in running the organisation "hands on" is a key contributor to constraining costs as well as providing a responsive service – examples include our financial and administrative returns, lettings, management of shared ownership properties, financial management and reporting. The Board recognises that as WCLT grows additional paid administrative and financial resources will be required and future projects include financial provision for such additions.

The Board recognises that maintenance costs are increasing as properties acquired in 2012 age and has increased budgetary provision in its plans for future years.

In April 2018, the Regulator of Social Housing in published new standards to Registered Providers by which to establish comparative Value for Money metrics. While these are a useful tool generally the Board is aware that the small number of properties WCLT owns means they have to be used with caution and broad comparisons are not reliable.

The following were agreed as relevant by the Board, and we present our performance evaluation against each parameter:

		2021/22	2020/21
Metric 3	Gearing	(0.28)	(0.26)
Metric 4	EBITDA MRI interest cover	2.97	0.26
Metric 5	Social Housing cost (per 8 units owned)	£4,671	£7,182
Metric 6	Operating Margin	0.25	0.30
Metric 7	Return on Capital Employed	0.01	0.01

Metrics 1 and 2 - Reinvestment and New Supply - were not used as there was no relevant activity in these periods. Metric 4 was low in the previous year because the Trust incurred significant expenditure in relation to the acquisition of additional housing properties which were not completed during the year. Ninety per cent of this revenue expenditure was covered by government grants but grants are excluded in calculating this metric.

2.2.3 Rent Standard: whilst WCLT is exempt from this standard through its provision of housing for intermediate rent, the Board refers to the Regulator's Guideline Limit in its rent review, as recommended in the standard. In 2021/22 WCLT applied rent increases between 0.5% and 1.25% to its intermediate rent properties and a 1.25% rise to its shared ownership properties in order to maintain affordability, although the Rent Standard guideline would have allowed higher increases. The Trust was mindful of the

economic strain on tenants' budgets as a result of the pandemic and kept rent increases to a minimum.

2.2.4 Home Standard

- i) **Quality of accommodation:** WCLT's 8 homes meet the Government's Decent Homes requirement and also Sustainability Code 3 and Lifetime Homes criteria.
- ii) **Repairs and Maintenance:** WCLT is responsive to matters of ongoing repair and maintenance.

2.2.5 Tenant Involvement and Empowerment Standard

WCLT convened a meeting with residents on 30th November 2021 to disseminate information, explain charges and to capture residents' views and respond to any of their concerns. More details are given at 6.4 below.

WCLT's Managing Agent also visits tenants in their homes. All tenant reviews remain positive and feedback in respect of WCLT performance has also been positive. Those tenants reaching the completion of their sixth year in residence have renewed their tenancies. WCLT will continue to take account of tenants' views in monitoring its performance as a landlord.

2.2.6 Neighbourhood and Community Standard

In managing its current portfolio WCLT works to good effect with Hyde Group, Wickham Community Association and Wickham Parish Council in respect of grounds maintenance, street lighting, the access road and community issues and with Winchester City Council and Wickham Festival organisers.

- 2.2.7 Tenancy Standard Although as a provider of intermediate homes WCLT is exempt from this standard WCLT still retains its current tenancy standard as a useful guide and operational reference point in relation to tenancies and tenancy review processes.

2.3 Achievements against objectives set

The objectives for the period 2020-2022 were approved by the Board in September 2019. Satisfactory progress was achieved in all the ongoing management objectives and steady progress was made towards the acquisition of 10 new properties in Wykeham Vale. It was planned that these homes would become available during the financial year but delays in construction encountered by the developer (Croudace Homes Ltd) as a result of the pandemic, loss of workers returning to the EU after Brexit and supply constraints meant that there were no completions during the year. The properties will become available in FY 2022/23. All arrangements to finance the purchases, however, were completed during the year, as anticipated in the report for the previous year. Loan finance was arranged in principle with Triodos Bank (long-term loan) which supplemented grant funding from Winchester City Council and South Downs National Park, the remainder coming from reserves, most notably boosted by a £250,000 donation from the estate of a local businessman. The necessary documentation to complete the purchases and the financial underpinning was all completed before the year end. The Trust has participated with the developer and Aster Homes (from whom the properties will be purchased) in regular project progress meetings throughout the year. Relations with

these parties has been consistently cordial and constructive ensuring that quality of construction and finish is expected to be to the Trust's specification when eventually completed. As noted in 2.2.2 above, a revenue grant from the Community Housing Fund through Homes England covered much of the pre-development costs incurred by the Trust but had not been fully utilised by year end and so a repayment of the money unused was necessary in the early part of the following year. The Trust will pay the necessary costs incurred as a result of the repayment, out of reserves, boosted as they have been by the significant donation received during the year, without jeopardising in any way the Trust's financial security.

Much work was completed during the year in terms of financial modelling to ensure that the new homes to be purchased in Wykeham Vale could be financed without over-straining financial resources and especially to model income from rent on these homes in accordance with the terms of the s106 which requires the homes to be let at no more than Local Housing Allowance and thus be "affordable" according to Homes England requirements. In that respect, to comply with Homes England requirements to register as eligible to charge affordable rents, the Trust applied to be an investment partner in the Wayfarer Consortium of organisations. Membership was granted in February 2022 making the Trust part of the consortium's contract with Homes England that runs until 2026.

In addition to growth and expansion objectives the 2020-2022 objectives include the intent to increase the local profile of the Trust and although no action took place on these goals in the year, plans were made in outline and agreed to be carried out in the following year.

WCLT will continue to monitor and review its achievements to ensure it continues to meet its aims.

3. FINANCIAL REVIEW

The financial statements have been prepared in accordance with the Housing SORP 2018.

Under this SORP the capital grant from Homes England used for the purchase of homes in Houghton Gardens, is classified as deferred income in the Balance Sheet with a proportion being taken each year to the Income and Expenditure account.

Also, under this SORP, the Income and Expenditure account is titled the Statement of Comprehensive Income and the Balance Sheet is called the Statement of Financial Position. In addition, we have included a Statement of Cash Flows.

The principal financial management policies in force are WCLT's Financial Controls Policy, Monitoring and Review Policy and WCLT's Reserves Policy.

3.1 Financial position at the end of the period

We are reporting a surplus for the year of £5,348 (2020/21 surplus of £7,780).

The Trust's operating performance in this financial year has been consistent with prior years. The cash position at the end of the year was very strong as a result of grant income unspent during the year and the cash donation made in the previous year that is still held in our accounts. The surplus was

planned to be lower through the payment of a deposit (£205,000) on the purchase of 10 homes in Wykeham Vale, Wickham before year end but this payment fell just outside the Financial Year, in April '22. The sums are carried forward in anticipation of the transaction being completed successfully during FY 2022/23. The deposit amount is half of the total grant agreed with the Council towards this project, the remainder due on practical completion of the units.

Cash has remained high during the year as a result of the delays in completing the purchase of homes in Wykeham Vale.

3.2 Reserves

WCLT 's Reserves Policy states the Trust's intention to hold reserves to the equivalent of at least 6 months' of normal operating costs in order to:

- ensure continuity in meeting the needs of beneficiaries and the Charity's financial obligations
- ensure the Charity can bridge cash flow problems in periods of changeover when beneficiaries leave or move into properties or rental income drops at such times
- maintain and develop its charitable activities.

In line with Charity Commission guidance this policy was reviewed in July 2021 and will be reviewed annually.

As at 31 March 2022 the Trust held reserves of £351,851 (2020/21: £346,503). The reserves held at the end of the Financial Year are the equivalent of 113 months' operating expenditure.

3.3 Principal Funding Sources

3.3.1 Lenders in the period were as follows:

- Charity Bank
- Winchester City Council
- Hyde Group

3.3.2 Donations:

- None

3.4 Rental Income

3.4.1 Rental Income from the four rental properties has provided a steady income throughout the financial year. There were no void periods.

3.4.2 Rental Income from shared ownership homes also provided a steady income.

3.5 Expenditure

3.5.1 WCLT has continued to be cautious with its expenditure and at the end of the period finances remained healthy. Our budgeting reflects increased maintenance costs. Otherwise,

expenditure in this financial year has been predominantly on administration, legal and financing fees and insurance and the Trust continues to track closely to its original financial model.

- 3.5.2 Legal costs regarding the Wykeham Vale project were incurred and represented the most significant single operating cost to the Trust. These costs will continue into the following year but will have to be met from reserves as a result of the closure of the Community Housing Fund.
- 3.5.3 All payments are governed by WCLT's Financial Controls Policy and any repayment of expenses to directors is made according to the regulations laid down in that policy.

3.6 Risks

- 3.6.1 The Trust, by the very nature of its business model, is dependent on rental revenues and on external finance, and will thus always remain exposed to potential increases in interest rates. Risk Appraisals constantly review the situation, but by the end of the financial year it was becoming clear that interest rates would rise, led by changes to Bank of England base rate. Lending arrangements made with Triodos Bank regarding Wykeham Vale property purchases are at 3.0% above base rate. Continuous modelling conducted during the year demonstrates that existing and new business can still return surpluses even at base interest rates rising up to circa 2.0%. Above that level it may be necessary to discuss remedial arrangements with lenders
- 3.6.2 Succession planning features in the Trust's regular risk appraisal.
- 3.6.3 Plans for future involvement in other sites (see 3.10 below) also feature within our regular assessment of risk.
- 3.6.4 The impact of the Corona virus pandemic on our tenants has been closely monitored and support offered to them should the need arise. The Trust is pleased to report that no issues arose during the year or in the months following its close.
- 3.6.5 The voluntary affordable homes sector is dependent on support from the government. The Trust has benefitted in past years from the availability of the Community Housing Fund (CHF). The Trust has continued during the year to try to persuade the government to expand provision of grants for which it might be eligible but in view of the worsening economic climate it is unlikely to see a positive result.
- 3.6.6 The Government has absolved Community Land Trusts from the right to buy that affects other forms of affordable housing provider. If this were to change it would impact the Trust's charitable objects and so this risk is constantly under review.

3.7 Investment

As part of the original loan terms with Charity Bank, WCLT has £8,443 (20120/21: £8,426) in a Charity Bank Deposit Account. Although Charity Bank has been sufficiently satisfied with the soundness of WCLT's performance to lift this condition WCLT chooses to retain this deposit.

3.8 Fundraising activities

WCLT has not undertaken any active fundraising in the course of this financial year.

3.9 Events subsequent to this report period

- 3.9.1 The two rent reviews conducted in the year, one for the rental properties and one for the shared ownership homes, were conducted in the last quarter of this report period, with implementation following in the subsequent reporting period.
- 3.9.2 The Trust has entered into a purchase contract with Aster Homes for the purchase of the 10 homes in Wykeham Vale and looks forward to allocating deserving tenants to the properties in 2022/23.

3.10 Plans for the forthcoming year

In addition to the ongoing management of WCLT's existing properties, the Trust's activities in 2022/2023 will be heavily influenced by progress on projects to expand its portfolio of affordable homes.

- 3.10.1 Completion of arrangements to purchase 10 homes in the Wykeham Vale project. The opportunity for the Trust to be involved has been well supported by the local authority, the developer and the RSL purchasing the majority of affordable units together with Triodos Bank so that at year end the final steps in negotiations were under way and fulfilment of these is expected in the months immediately following the year end.
- 3.10.2 Discussions with both Winchester City Council and Homes England to develop options for WCLT's acquisition of 20 further homes on a Homes England site at Knowle, near Wickham, were flagged in last year's report. The Trust will continue to pursue these in the next period.
- 3.10.3 WCLT has continued its excellent working arrangements with developers/housing associations bidding for involvement in the above sites.
- 3.10.4 At each step of the way, WCLT carefully appraise any financial and viability risks involved in these new openings
- 3.10.5 WCLT has addressed issues of scaling up to deal with these potential developments and recruiting extra trustees to cover increased workload and/or to employ a member of staff to assist with the increased administrative work.
- 3.10.6 The Trust will be mounting a campaign to inform more widely local people of the Trust's work, start a "friends" of WCLT group and encourage donations.

4. STRUCTURE, GOVERNANCE AND MANAGEMENT

4.1 Governing Document

Wickham Community Land Trust (WCLT) is registered in England and Wales as a Company Limited by Guarantee with charitable aims, with the governing documents being Memorandum and Articles of Association. It was registered as such on 2nd June 2008

4.2 Legal Definition of a Community Land Trust under the Housing & Regeneration Act 2008

WCLT meets the legal definition of a community land trust as defined by the Act.

4.3 Members and Membership

Subscribers to the Memorandum and Articles of Association were the first members of the Charity. Membership is open to other individuals or organisations who apply to the Charity in the form required by the Directors and who are approved by the Directors. The Board hopes to recruit new members in this way as part of its succession planning.

There is one class of membership.

Persons with Significant Control: WCLT keeps a register in which to record such but at present the position is Nil.

In accordance with our Conflicts of Interest Policy all directors are required to complete annually a Register of Interests.

There have been no changes to the composition of the Trust Board during the year.

Any local authority appointments should be maintained at less than 20% of the total board. There are currently no LA appointments represented on the Board.

4.4 Director Induction, Training and development

Directors are provided with a Trustee Role Description and asked to sign a Trustee Code of Conduct and to complete a Declaration in respect of Individual Voluntary Arrangements, bankruptcy and unspent convictions. All directors have a copy of the Charity Commission publication 'The Essential Trustee: what you need to know'. Updates in the Charity Commission's Newsletters are disseminated to Directors during the year.

Suitable opportunities for development through attending courses, conferences or seminars are identified and supported at Board level.

4.5 Organisational and Structural Matters

4.5.1 Day to Day Management

The day-to-day management of WCLT is undertaken either by an executive committee or by the Housing Sub-Committee. The executive committee consists of the Chairman, Nicol Holladay, the Company Secretary, Anthony Raymer, and the Vice Chairman, Geoffrey Phillpotts, with involvement of the Financial Director where relevant. The Housing Sub-Committee is made up severally of Geoffrey Phillpotts, David Thompson, Christopher Cook, Jane Isaac and Wendy Greenish to deal with individual housing matters and the allocation of properties and they are called upon on a more ad hoc basis depending on the skills required and their time available. Other directors according to their skills and roles are called on as per actions agreed at meetings. Directors are regularly updated on current issues at the board meetings and all major and policy decisions are taken by the board.

- 4.5.2 **Code of Practice** WCLT has its own Code of Practice and Financial Viability, based on that of the Housing Regulator's Standard, which the Board deems appropriate to the organisation's size and role as a non-profit registered provider.
- 4.5.3 **Code of Governance** has its own Code of Governance based on that of the Charity Commission. Both this and the Code above set out the fundamental values which underpin WCLT's operation and against which the Board can assess the effectiveness of its governance arrangements and operation.
- 4.5.4 WCLT's **master tenancy documents** are in line with current legislation.
- 4.5.5 **Asset Register** WCLT manages its resources prudently to ensure its viability and actively assesses and manages risk. Whilst our properties have not been revalued in the accounts (see accounting policy h) a valuation carried out in April 2018 at the behest of Charity Bank showed that all the properties have a market value well in excess of cost and these market values have been noted in the asset register.
- 4.5.6 **Data Protection:** in line with current legislation on GDPR WCLT has audited the data it handles. It has published its Privacy Policy and the Board receives a Data Protection report at each meeting.
- 4.5.7 **Risk Management** Consideration of WCLT's Risk Appraisal is led by Trustee David Thompson and embedded as a regular item in Board Meetings and the Board is satisfied that WCLT's consideration of risk is sufficiently informed to encompass consideration of both internal and external matters and that WCLT has complied with regulatory requirements to date and will continue to do so in the foreseeable future.
- 4.5.8 **Insurance:** WCLT's cover provides for Directors' and Officers' Liability Insurance, Public and Products Liability Insurance, Property Owners' Liability Insurance and Buildings Insurance. WCLT holds NHBC certification for all its eight properties.
- 4.5.9 **Legal**
- i) New tenants are initially offered our Starter Only Assured Shorthold Tenancy, and progress to a five-year Fixed Term Assured Shorthold Tenancy after a satisfactory probationary period.
 - ii) Shared Ownership Agreements are based on the Homes England Model Lease for Protected Areas, with stair-casing restricted to 80%.
 - iii) Our tenancy agreements are reviewed and endorsed by our legal advisers.
- 4.6 **Relationships with related parties**
- 4.6.1 **Charity Commission:** WCLT is a registered charity (registration 12th March 2010). WCLT submits an Annual Return to the Charity Commission and is in receipt of its informative Quarterly Newsletters.
- 4.6.2 **Homes England and Regulator of Social Housing:** WCLT is registered as a non-profit private registered provider of social housing with the regulating body. WCLT in terms of regulation counts as a small provider. As a Registered Provider WCLT reports to and receives advice from the regulator and submits its Statistical Data Return under NRosh+.
- 4.6.3 WCLT, through its own policy documents and processes, both seeks to meet the regulator's Economic Standards and to reflect its Consumer Standards. These underpin WCLT's operations and throughout this financial period WCLT has sought to maintain and review its performance against these operating standards.
- 4.6.4 **Hyde Housing Association:** With WCLT owning its current portfolio of properties on a shared site with Hyde Housing Association communication between us is important.

- i) The working relationship between WCLT and Hyde's local housing management team is in essence co-operative and effective.
- ii) Communication with Hyde Group's centralised departments can be more difficult. WCLT strives to keep the channels of communication open and effective but success in communication with Hyde Housing's Service Charge and Income Departments can be patchy in respect of Estate Charges (see section 6 below: Funds held as custodian trustees)

4.6.5 **Winchester City Council (WCC)**

WCLT's relationship with Winchester City Council has strengthened further in the year through its contributions to the local authority's community led housing initiatives. WCLT continues to report to Winchester City Council and provide it with allocation data on its homes so that together with the zone agent, Radian Group (see Radian Group below), an up-to-date picture of housing need in the area can be maintained. To comply with s106 arrangements covering Wykeham Vale, WCLT has submitted a revised Allocations Policy to WCC in order to allow it to provide affordable homes on that site. The revised policy has been agreed and came into force during the year.

4.6.6 **Radian Group:** WCLT is party to a service level agreement with the Local HomeBuy Agent, Radian, for housing in Winchester City's district. As part of this, their online property website for the area, originally HomesinHants and now "HelptoBuySouth", advertises WCLT's affordable homes, puts potential applicants in touch with WCLT and notifies WCLT of the waiting list for homes in the area. In turn WCLT provides Radian with WCLT's allocation data.

4.6.7 **National CLT Network (NCLT)** WCLT is a member and both benefits from this membership and actively supports the NCLT in its work.

4.6.8 **Information Commissioner and the Housing Ombudsman:** WCLT is registered with the former in respect of Data Protection and, as a provider of social housing, is registered with the Housing Ombudsman Service.

4.6.9 **Wickham Parish Council:** WCLT maintains its links with Wickham Parish Council with communications with the Clerk to the Parish Council and individual councillors and exhibited at the Parish Assembly in May 2020.

4.6.10 **Hampshire Home Choice:** in order that the Trust can offer homes on Wykeham Vale to qualifying tenants, its allocations and nominations policy has been revised to satisfy the requirements of the s106 agreement governing the provision of affordable homes on the site. *Inter alia*, this required the Trust to sign up to advertise affordable vacancies to local people through Hampshire Home Choice.

5. REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Charity Name:	Wickham Community Land Trust
Charity Registration Number:	1134897
Homes England Registered Provider:	4692
Company Registration Number:	06608621

Wickham Community Land Trust
A Registered Charity and Company Limited by Guarantee
Trustees' Report & Financial Statements for the year ended 31 March 2022
Company Reg. No: 06608621 Charity Number: 1134897

Registered Office and operational address: The Old Post Office,
Station Road Wickham, Hampshire.
PO17 5JA.

Correspondence address: P.O. Box 739, Fareham, Hants, PO14 9RH.

Board of Directors:

Mr. N. A. Holladay	Chairman
Mr. G.S. Phillpotts	Vice Chairman
The Reverend A. J. Smith	Finance Director
Mr. A. Raymer	Director and Company Secretary
Mr. C. Cook	
Mr. E. Fitzgerald	
Mr. D.R. Thompson	
The Reverend Jane Isaac	Nominee of Benefice of St. Nicholas, Wickham and St.
John the Baptist, Shedfield.	
Mrs Wendy Greenish	

Bankers: NatWest, 52 West Street, Fareham, Hants. PO16 0JX

Legal Advisers: Anthony Collins Solicitors LLP, 134 Edmund Street, Birmingham, B3 2ES

Auditors: Rothmans Audit LLP, Statutory Auditors and Chartered Accountants, Avebury House, St Peter Street, Winchester, Hampshire, SO23 8BN.

Chartered Surveyors: Chandler Hawkins (Portsmouth)

Hon. Adviser: Capt A. R. Robinson, RN

Managing Agent: Byrne Runciman, Estate Agents, The Square, Wickham, Hampshire, PO17 5JT

6. FUNDS HELD AS CUSTODIAN TRUSTEES

6.1 WCLT levies certain monthly charges from their tenants:

- i) Service charges for Maintenance and Sinking Fund together with an administrative and accounting costs fee
- ii) Estate Service Charge for grounds maintenance undertaken by Hyde Housing and payable to them on invoice. There is a collection fee associated with this.

6.2 As custodian of funds held on behalf of others WCLT has two Client Accounts into which to deposit sums related to i) and ii) above:

- i) Sums related to the General Service Charges and Estate Service Charges are paid into a current account.

- ii) Contributions collected for the Sinking Fund are placed in an interest-earning Business Reserve Account.

6.3 General Service Charge. WCLT, in its review of rents and service charges in February 2020 decided again to increase the levy rate for Sinking Fund to allow for inflation at 1.7%. This increase of the General Service Charge came into effect from May 2021.

6.4 Estate Service Charge:

- 6.4.1 WCLT continues to have a less than straightforward working relationship with Hyde on the matter of these charges and arrangements, though eventually being resolved, have remained complicated by the difficulty of reaching appropriate staff
- 6.4.2 As in previous years, arrangements with Hyde Housing in respect of Estate Service Charges have not run smoothly despite constant efforts. Nevertheless, the Trust makes adequate provisions to meet the charges which eventually are communicated to us and after various corrections that need to be made, annual costs are agreed and paid. We regard that, after several years' experience, budgets are predictable, provisions are adequate, and expenditure is under financial control.

7. CONCLUSION

WCLT has enjoyed a period of consolidation and frustration. The Trust has concentrated on managing its properties as well as possible for the individual residents and with regard to the long-term aims of the Trust. But frustration has been caused by the delays in completion and purchase of the 10 homes in Wykeham vale, for reasons covered above.

From a sound financial base, WCLT has been able, however, to maintain its interest in the new properties and these will come into the CLT's possession in FY 2022/23. WCLT's involvement in community led housing will remain crucial to this community because it is able to accommodate local people in perpetuity. The addition of the 10 homes on the site to the Trust's portfolio is a major step forward in the growth of the service to local people in need that remains at the heart of the Trust's objectives.

WCLT is very grateful for the support of local people and those organisations with which we have worked over the last few years. We particularly appreciate the good and sometimes special working relationships with these supportive organisations.

Sincere thanks are also due to the directors who have given their time and expertise generously and voluntarily to push WCLT's goals forward. WCLT is grateful to those directors who are keen to continue into next financial year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors 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 these financial statements, the directors are required to:

- ensure continuity in meeting the needs of beneficiaries and the Charity's financial obligations
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Housing SORP
- make judgments and 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 charitable company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. 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 directors are aware:

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board,



Anthony Raymer
Director and Company Secretary

20 September 2022

Independent Auditor's Report to the Members of Wickham Community Land Trust

Opinion

We have audited the financial statements of Wickham Community Land Trust (the 'Trust') for the year ended 31 March 2022 which comprise the Statement of Consolidated Income, the Statement of Financial Position, the Cash Flow Statement, the Statement of Changes in Reserves and notes to the financial statements, including 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 Trust's affairs as at 31 March 2022, and of 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, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

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 association 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 board's 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 association'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 board with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual reportⁱ, other than the financial statements and our auditor's report 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.

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.

Opinion on other matter 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

Directors' responsibilities

As explained more fully in the directors' responsibilities statement set out on pages 14 and 15, the directors (who are also the trustees 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 directors determine are 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 directors are responsible for assessing the Trust'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 directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The objectives of our audit, in respect to fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures include the following:

The extent to which the audit was considered capable of detecting irregularities including fraud

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 obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and those laws and regulations that had a direct effect on the financial statements.

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

- 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 Trust, including FRS102, the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence and the 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 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
- 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
- enquiring of management as to actual and potential litigation and claims
- reviewing correspondence with relevant regulators, including Homes England and the Regulator of Social Housing and the company's legal advisors; and
- reviewed legal and professional expenditure incurred in the year.

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 auditor's report.

Wickham Community Land Trust
A Registered Charity and Company Limited by Guarantee
Trustees' Report & Financial Statements for the year ended 31 March 2022
Company Reg. No: 06608621 Charity Number: 1134897

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

Use of our Report

This report is made solely to Wickham Community Land Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Trust'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 association and the Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

S A Sullivan FCA

29 September 2022

Susan Sullivan FCA (Senior Statutory Auditor)

For and on behalf of
Rothmans Audit LLP
Chartered Accountants and Statutory Auditors
Avebury House
6 St Peter Street
Winchester
Hampshire
SO23 8BN

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2022

Company Reg. No: 06608621

Charity Number: 1134897

Statement of Comprehensive Income

For the year ended 31 March 2022

		2022	2021
	Note	£	£
Turnover	2	50,427	72,925
Operating expenditure	2	(37,371)	(57,457)
Operating Surplus		13,056	15,468
Interest receivable and other income	3	18	75
Interest payable and financing costs		(7,726)	(7,763)
(Deficit)/Surplus on ordinary activities before taxation	4	5,348	7,780
Taxation	5	-	-
(Deficit)/Surplus for the year and total comprehensive income	14	5,348	7,780

The results relate wholly to continuing activities.

The accompanying notes form part of these financial statements.

The financial statements were approved and authorised for issue by the Directors on 20 September 2022 and signed on their behalf by



Nicol Holladay
Chairman & Director



Geoffrey Phillpotts
Director


Statement of Financial Position

As at 31 March 2022

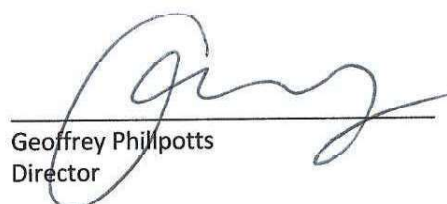
	Note	31 March 2022	31 March 2021
		£	£
Fixed assets			
Tangible fixed assets	7		686,253
Current assets			
Prepaid expenses	8	3,969	3,748
Cash at bank and in hand		531,572	523,128
		535,541	526,876
Creditors – Amounts falling due within one year	9	(226,526)	(21,248)
Net current assets			309,015
Total assets less current liabilities			995,268
Creditors – Amounts falling due after more than one year	10	(632,349)	(847,707)
Provisions for liabilities	13	(11,068)	(9,973)
Total Net assets		351,851	346,503
Reserves			
Income and expenditure reserve	14	351,851	346,503
Total Reserves		351,851	346,503

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Directors on 20 September 2022 and are signed on their behalf by



Nicol Holladay
Chairman & Director



Geoffrey Philippotts
Director

The notes on pages 25 to 34 form part of these accounts

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2022

Company Reg. No: 06608621

Charity Number: 1134897

Statement of Cash Flows

For the year ended 31 March 2022

	Note	2022 £	2021 £
Net cash generated from operating activities	15	17,452	(1,774)
Cash Flow from Investing Activities			
Interest received		18	25
Cash Flow from Financing Activities			
Grants and donations received		(1,300)	22,095
Interest paid and other finance costs		(7,726)	(7,763)
Net change in cash and cash equivalents		8,444	12,583
Cash and cash equivalents at the start of the year		523,128	510,545
Cash and cash equivalents at the end of the year		531,572	523,128

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2022

Company Reg. No: 06608621

Charity Number: 1134897

Statement of Changes in Reserves

	Income and expenditure reserve £	Total £
At 1 April 2020	338,723	74,998
Surplus for the year	7,780	263,725
Total comprehensive income	7,780	263,725
At 31 March 2021 and 1 April 2021	346,503	338,723
Surplus for the year	5,348	7,780
Total comprehensive income	5,348	7,780
At 31 March 2022	351,851	346,503

Notes to the Financial Statements

1. Accounting policies

a) *Legal status*

Wickham Community Land Trust is registered under the Companies Act 2006 as a company limited by guarantee incorporated in England and Wales. It is registered with both the Charity Commission and Homes England as a Registered Provider and is a public benefit entity. Its registered office is The Old Post Office, Station Road, Wickham, Hampshire, PO17 5JR

b) *Basis of preparation*

The financial statements have been prepared

- under the historic cost convention
- on the going concern basis
- in accordance with the Statement of Recommended Practice for social housing providers known as the Housing SORP 2018
- in accordance with the Accounting Direction for private registered providers of social housing in England 2019
- in accordance with the Charities Act 2011
- in accordance with applicable UK Generally Accepted Accounting Principles (UK GAAP) accounting standards, including Financial Reporting Standard 102 (FRS 102)
- in accordance with the Companies Acts 2006.

The financial statements are presented in sterling which is the functional currency of the Trust and are rounded to the nearest pound.

As the Company is a charity, the wording of the statutory formats required by the Companies Act 2006 has been appropriately amended in order to give a true and fair view.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

c) *Significant Judgements*

In applying the various accounting policies relevant to social landlords, the trustees have determined to categorise the houses owned by the trust as fixed assets rather than investment properties. As such they are shown at cost rather than market value. As house prices have risen since the houses were acquired by the trust this means that they are shown in the accounts below market value.

d) *Key Assumptions and sources of estimation uncertainty*

The trustees consider that there are no significant areas of uncertainty in the assumptions they have made that would be likely to cause a material change to the carrying value of any assets or liabilities over the next year.

1. Accounting policies (continued)

e) Funds structure

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

f) Turnover

Turnover comprises rental income receivable in the year, service charges receivable in the year and income from shared ownership first tranche sales. Income from first tranche sales is recognised at the point of legal completion of the sale.

g) Expenditure

Expenditure is recognised on an accruals basis.

h) Fixed assets

Housing Properties

The company holds four properties available for rent and four properties available for shared ownership.

Fixed assets are stated at cost less accumulated depreciation.

Depreciation

Freehold land is not depreciated.

The company separately identifies the major components which comprise its housing properties and charges depreciation so as to write down the cost of each component to its estimated residual value, on a straight-line basis, over its estimated useful economic life.

The company depreciates the major components of its housing properties over the following timescales

Structure	100 years
Roof	60 years
Kitchen	20 years
Bathroom	30 years
Boiler	15 years
Heating System	30 years
Windows & Doors	20 years
Electrics	30 years

1. Accounting policies (continued)

Impairment

Impairment reviews are carried out as and when evidence comes to light that the recoverable amount of a functional fixed asset is below its net book value due to damage, obsolescence or other relevant factors.

i) Shared ownership properties

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to first tranche sales. The first tranche proportion is classed as a current asset and related sale proceeds included in turnover and the remaining element is classed as fixed assets and included in housing properties at cost, less any provisions needed for depreciation or impairment.

j) Social Housing Grant

Social housing grant (SHG) is receivable from Homes England. Under SORP 2018 the company has adopted the accruals model for the recognition of government grant and is required to account for such grants as deferred income and to take a portion of the grant to income each year. Grants relating to housing properties are recognised in income on a systematic basis over the useful economic life of the housing property structure.

k) Debtors and Creditors due within one Year

Debtors and creditors receivable or payable within one year, and with no stated interest rate, are initially recorded at transaction price and are subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

l) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

The Trust is in receipt of two loans with interest rates below the prevailing market rate of interest. These loans are not repayable on demand and are for the purposes of furthering the objectives of the public benefit entity or public benefit entity parent and are therefore accounted for as concessionary loans. These loans are initially measured at the amount received and in subsequent years the carrying amount of these loans is adjusted to reflect any accrued interest payable.

m) Provisions for Liabilities

Provisions are recognised when the Trust has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

2. Income and Expenditure from Social Lettings

	2022	2021
	£	£
Turnover		
Intermediate rental income	31,697	31,408
Shared Ownership rental income	14,215	13,987
Homes England grant taken as income	3,700	3,700
Homes England revenue grant	(1,300)	22,045
Charges for support services	2,115	1,785
	<u>50,427</u>	<u>72,925</u>
Expenditure		
Maintenance costs	(3,374)	(6,666)
Insurance	(4,160)	(4,186)
Void costs	-	-
Property Management Costs	(2,662)	(2,638)
Other costs	(27,175)	(43,967)
	<u>(37,371)</u>	<u>(57,547)</u>

Rental income is stated net of identifiable service charges.

3. Interest receivable and other income

	2022	2021
	£	£
Interest receivable	18	25
Insurance claims	-	-
Donations & grants received	<u>-</u>	<u>50</u>
	<u>18</u>	<u>75</u>

4. Surplus on ordinary activities

This is stated after charging:

	2022	2021
	£	£
Auditor's remuneration – for audit services	3,948	3,924
Auditor's remuneration – non-audit services	360	564
Depreciation	<u>12,302</u>	<u>12,302</u>

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2022

Company Reg. No: 06608621

Charity Number: 1134897

5. Taxation

As a charity, WCLT is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

6. Key management personnel remuneration and employees

Key management personnel neither received nor waived any remuneration during the year. (2021: £nil). The charity had no employees in the current or previous year.

7. Tangible fixed assets

	Freehold Land and Buildings - Intermediate Rent	Freehold Land and Buildings - Shared Ownership	Total
	£	£	£
Cost			
At beginning of year	495,007	310,166	805,173
Additions	-	-	-
At end of year	495,007	310,166	805,173
Depreciation			
At beginning of year	(66,873)	(39,745)	(106,618)
Charge for year	(7,716)	(4,586)	(12,302)
At end of year	(74,589)	(44,331)	(118,920)
Net book value			
At 31 st March 2022	420,418	265,835	686,253
At 31 st March 2021	428,134	270,421	698,555

The above assets, with a net book value of £686,253 are pledged as security against the Trust's loans.

8. Prepaid expenses

	2022	2021
	£	£
Insurance costs	3,879	3,660
Other	90	88
	<u>3,969</u>	<u>3,748</u>
	<u><u>3,969</u></u>	<u><u>3,748</u></u>

9. Creditors – Amounts falling due within one year

	2022	2021
	£	£
Bank Loans (note 12)	6,687	6,604
Other creditors	7,191	7,128
Accrued expenses	3,948	3,816
Deferred income from Homes England grant	3,700	3,700
Deferred grant from WInchester City Council	205,000	-
	<u>226,526</u>	<u>21,248</u>
	<u><u>226,526</u></u>	<u><u>21,248</u></u>

10. Creditors – Amounts falling due after more than one year

	2022	2021
	£	£
Bank loans (note 12)	217,022	224,171
Loans from other institutions (note 12)	84,794	84,302
Deferred income from grants (note 11)	330,533	539,234
	<u>632,349</u>	<u>847,707</u>
	<u><u>632,349</u></u>	<u><u>847,707</u></u>

The loans from other institutions are concessionary loans with interest rates below the prevailing market rate.

11. Deferred Grant Income

	2022	2021
	£	£
At 1 April	542,933	546,633
Received in the year	-	-
Released to income in year	<u>(3,700)</u>	<u>(3,700)</u>
At 31 March	<u>539,233</u>	<u>542,933</u>
Amounts to be released within 1 year	208,700	3,700
Amounts to be released in more than 1 yr	<u>330,533</u>	<u>539,233</u>
	<u>539,233</u>	<u>542,933</u>

12. Bank loans and loans from other institutions

	2022	2021
	£	£
Due within one year and on demand	6,687	6,604
Due after one year but less than two years	6,942	6,687
Due after two years but less than five years	22,455	21,630
Due after more than five years	<u>272,418</u>	<u>280,156</u>
	308,502	315,077
	<u>308,502</u>	<u>315,077</u>

The aggregate amount of debt secured upon the intermediate rental properties and the share of shared ownership properties retained by the trust is £308,502

The loans bear interest in the range of 0% to 3.75%. The instalment loan is repayable over 25 years and as at 31 March 2022 £272,418 of instalments were due after more than 5 years.

13. Provisions for liabilities and charges

	2022	2021
	£	£
Provision for future overhaul	11,068	9,973
	<u>11,068</u>	<u>9,973</u>

Provisions for liabilities and charges comprise of amounts set aside for the future overhaul of the properties.

14. Reserves

	Unrestricted general reserves	Total reserves
	£	£
Balance as at 1 April 2021	346,503	346,503
Surplus /(deficit) for year	5,348	5,348
At 31 March 2022	<u>351,851</u>	<u>351,851</u>

15. Statement of Cash Flows from Operating Activities

	2022	2021
	£	£
Surplus for the year	5,348	7,780
Adjustment for non-cash items		
Depreciation	12,302	12,302
Increase in deferred income	-	-
Amortisation of government grant	(3,700)	(3,700)
(Increase) in prepayments	(221)	(7)
(Decrease)/increase in creditors	195	1,540
(Decrease) in loans	(6,575)	(6,427)
Increase in provisions	1,095	1,095
Adjustment for investing and financing activity		
Interest payable and other finance costs	7,726	7,763
Grants repaid/(received)	1,300	(22,095)
Interest received	(18)	(25)
Net cash generated from Operating activities	<u>(17,452)</u>	<u>(1,774)</u>

15a Analysis of changes in net debt

	2021	Cash Flows	Other changes	2022
	£	£	£	£
Long term borrowings	315,077	(6,575)	-	308,502
Total liabilities	<u>315,077</u>	<u>(6,575)</u>	-	<u>308,502</u>
Cash and cash equivalents	(523,128)	(8,444)	-	(531,572)
Total net debt	<u>(208,051)</u>	<u>(15,019)</u>	-	<u>(223,070)</u>

16. Accommodation in management

At the end of the year, accommodation in management for each type of property was as follows:

	2022	2021
Shared ownership	4	4
Intermediate rent	4	4
	<hr/>	<hr/>
	8	8
	<hr/>	<hr/>

17. Company limited by guarantee

Wickham Community Land Trust is a company limited by guarantee and has no share capital. As at 31st March 2022 there were 9 (nine) members. Every member promises, if the Company is wound-up, to contribute such sum (not exceeding £10) as may be demanded of him or her towards any deficit.

18. Director Information

No remuneration was paid to the Directors during the year (2021: £nil).

19. Capital commitments

At 31st March 2022 there were no capital commitments (2021: none).

20. Related parties

During the year, no expenses were reimbursed to trustees (2021: £nil). No expenses were reimbursed to a company in which a trustee has an interest.

21. Ultimate controlling party

Wickham Community Land Trust is ultimately controlled by the board of Trustees.

22. Financial instruments

The carrying amounts of the Trust's financial instruments are as follows:

	2022 £	2021 £
Financial assets measured at amortised cost:		
- Cash at bank and in hand	<u>531,572</u>	<u>523,128</u>
	<u>531,572</u>	<u>523,128</u>
Financial liabilities measured at amortised cost		
- Other creditors (note 9)	7,191	7,128
- Bank and other Loans (note 12)	<u>308,502</u>	<u>315,077</u>
	<u>315,693</u>	<u>322,205</u>

The total interest income for financial assets that are measured at amortised cost was £18 (2021: £25).
The total interest and finance expense for financial liabilities that are measured at amortised cost was
£7,726 (2021: £7,763)

06608621

Wickham Community Land Trust
A Registered Charity and Company Limited by Guarantee
Annual Report and Financial Statements for the year ended
31 March 2022

Company Registration Number: 06608621
Registered Charity Number: 1134897

Registered Office:
The Old Post Office,
Station Road,
Wickham, Hampshire.
PO17 5JA

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DIRECTORS' REPORT

The directors present their annual report and the financial statements for the year ended 31 March 2022.

1. PURPOSES OF THE CHARITY

1.1 Purposes as set out in Wickham Community Land Trust's governing document

The charity's purposes are set out in the objects in the Company's Memorandum of Association as follows:

- The provision of social housing and housing to relieve financial hardship; and
- To promote such other charitable purposes as may from time to time be determined subject to the prior written consent of the Charity Commission.

Wickham Community Land Trust (WCLT) is dedicated to the provision of affordable housing in Wickham to relieve the financial hardship of eligible beneficiaries living in the village, surrounding area or with employment in the area; holding the property for the long term public good and protecting it from the damaging effects of asset price inflation and speculation and thereby enabling the provision of affordable housing now and for subsequent generations. (Note: (Note: since the year end, the civil parish of Wickham has been re-named "Wickham and Knowle", the boundaries of which are co-terminus with those of Wickham parish at the grant of the Trust's charitable status. All references in this report and future references to "Wickham" therefore relate to the parish of "Wickham and Knowle").

1.2 Summary of activities in support of the purposes

- Manage the business of the Trust in such manner as to cover costs and, as a not-for-profit organisation, to re-invest for maintenance of the properties
- Maintain and run our properties in such a way that they can remain a long-term public benefit, contributing to the sustainability of this community
- Manage the on-going movement of residents into and out of the properties so that the homes remain a benefit to those who qualify to occupy them on grounds of need
- Maintain the affordable nature of the accommodation
- Retain the freehold of the properties in accordance with the charitable aims of WCLT to provide asset lock
- Pursue opportunities to further meet WCLT's charitable objectives through the provision of additional affordable homes in the vicinity, working in co-operation with Winchester City Council and Homes England
- Monitor and review the charity's performance against its charitable objectives on a regular basis.

1.3 Summary of Activities in relation to public benefit

- WCLTs main focus is on providing housing for those who cannot afford from their own resources to buy or rent a home on the open market
- The housing of those living in situations inadequate or unsuitable for their needs, regardless of their age, sex, marital status or any other differentiator
- The housing of families living in overcrowded conditions by virtue of inability of young adults to find alternative affordable homes
- Housing those who lose their open market rental homes because of sale or increased rent
- The housing of key workers serving the local area
- Provision of housing to a number of households with local connection enabling them to receive support from their families (e.g. childcare) or to provide support to family members who need help (e.g. to elderly relatives)
- Shorter journey times for those residents with work in the local area.

WCLT is not aware of any detriment or harm arising from the organisation's aims.

1.4 Benefit to a section of the public

The public which benefits from our work is made up of a cross section of age groups unable from their own resources to afford a home on the open market.

- Eligibility for housing

Selection criteria for applicants include housing need, inability to afford property to buy or to rent on the open market, the ability to meet the affordable rent/mortgage outgoings on a WCLT home, suitability of the homes WCLT has available to meet the applicants' needs and local connection (see Geographical Restriction below).

- Geographical Restriction

WCLT serves the geographical area of Wickham in Hampshire, its adjoining parishes and the administrative area of Winchester City Council, in that order of priority. Being an attractive village within reach of three cities, Winchester, Portsmouth and Southampton, Wickham's house prices, both for purchase and rent, are high and beyond the means of many people from this specific vicinity who wish to be able to live in the community from which they come or in which they work.

1.5 Identifying Public Benefit

The impact of our achievement goes wider than those families we house, and its public benefits include the following:

- A reduction in the number of people seeking affordable housing in the area
- A reduction in local barriers to housing
- An increase in housing stock available for affordable homes
- Increased availability of local accommodation for key workers serving the local area

- A reduction in distances between home and workplace for people working in the area
- The retention of assets within the local community for public benefit, providing a long-term asset lock.

1.6 Private benefit

No-one receives any private benefit from WCLT.

1.7 Directors' Public Benefit Statement

The Directors of WCLT confirm that in drawing up this report they have been aware of their duty to report on public benefit and have paid due regard to the Charity Commission's guidance in this respect.

1.8 Contribution made by volunteers

WCLT has no employees. All work undertaken by directors and our part-time bookkeeper, Mrs Brenda Farrow, is undertaken on a voluntary basis.

1.9 Additional Information

WCLT employs a Managing Agent for its rental properties. While the selection process of suitable eligible persons to occupy its properties remains under the control of WCLT, once that process is complete the Managing Agent deals with the collection of rent and service charge and manages repairs. However, WCLT remains closely involved in management issues and directly manages the shared ownership properties.

2. ACHIEVEMENTS AND PERFORMANCE

2.1 Quantitative and Qualitative Information

In this financial year the number housed by the Trust increased to 24 individuals (adults and children) who qualify under the categories outlined in 1.3 above. There were no changes in tenant occupation during the year, and there were, therefore, no void periods.

Feedback from our residents remains consistently appreciative.

2.2 Meeting the Social Housing Regulator's Standards

Directors continue to use the Regulator's Economic and Consumer Standards as points of reference for measuring our service-delivery.

- 2.2.1 Governance and Financial Viability Standard** WCLT's Code of Practice and Financial Viability, based on the standard, sets out the fundamental values which underpin WCLT's practice and ensures that it a) meets the Regulator's standard and b) conducts

its business in an effective, transparent and accountable manner. The Board certifies its compliance with the standard during the course of 2021/2022.

2.2.2 Value for Money Standard (VFM):

The WCLT Board regularly reviews all areas of its operation to look at opportunities for reducing costs or securing additional income in line with its Value for Money Policy.

The voluntary time of Board Members in running the organisation "hands on" is a key contributor to constraining costs as well as providing a responsive service – examples include our financial and administrative returns, lettings, management of shared ownership properties, financial management and reporting. The Board recognises that as WCLT grows additional paid administrative and financial resources will be required and future projects include financial provision for such additions.

The Board recognises that maintenance costs are increasing as properties acquired in 2012 age and has increased budgetary provision in its plans for future years.

In April 2018, the Regulator of Social Housing in published new standards to Registered Providers by which to establish comparative Value for Money metrics. While these are a useful tool generally the Board is aware that the small number of properties WCLT owns means they have to be used with caution and broad comparisons are not reliable.

The following were agreed as relevant by the Board, and we present our performance evaluation against each parameter:

		2021/22	2020/21
Metric 3	Gearing	(0.28)	(0.26)
Metric 4	EBITDA MRI interest cover	2.97	0.26
Metric 5	Social Housing cost (per 8 units owned)	£4,671	£7,182
Metric 6	Operating Margin	0.25	0.30
Metric 7	Return on Capital Employed	0.01	0.01

Metrics 1 and 2 - Reinvestment and New Supply - were not used as there was no relevant activity in these periods. Metric 4 was low in the previous year because the Trust incurred significant expenditure in relation to the acquisition of additional housing properties which were not completed during the year. Ninety per cent of this revenue expenditure was covered by government grants but grants are excluded in calculating this metric.

2.2.3 Rent Standard: whilst WCLT is exempt from this standard through its provision of housing for intermediate rent, the Board refers to the Regulator's Guideline Limit in its rent review, as recommended in the standard. In 2021/22 WCLT applied rent increases between 0.5% and 1.25% to its intermediate rent properties and a 1.25% rise to its shared ownership properties in order to maintain affordability, although the Rent Standard guideline would have allowed higher increases. The Trust was mindful of the

economic strain on tenants' budgets as a result of the pandemic and kept rent increases to a minimum.

2.2.4 Home Standard

- i) **Quality of accommodation:** WCLT's 8 homes meet the Government's Decent Homes requirement and also Sustainability Code 3 and Lifetime Homes criteria.
- ii) **Repairs and Maintenance:** WCLT is responsive to matters of ongoing repair and maintenance.

2.2.5 Tenant Involvement and Empowerment Standard

WCLT convened a meeting with residents on 30th November 2021 to disseminate information, explain charges and to capture residents' views and respond to any of their concerns. More details are given at 6.4 below.

WCLT's Managing Agent also visits tenants in their homes. All tenant reviews remain positive and feedback in respect of WCLT performance has also been positive. Those tenants reaching the completion of their sixth year in residence have renewed their tenancies. WCLT will continue to take account of tenants' views in monitoring its performance as a landlord.

2.2.6 Neighbourhood and Community Standard

In managing its current portfolio WCLT works to good effect with Hyde Group, Wickham Community Association and Wickham Parish Council in respect of grounds maintenance, street lighting, the access road and community issues and with Winchester City Council and Wickham Festival organisers.

- 2.2.7 Tenancy Standard Although as a provider of intermediate homes WCLT is exempt from this standard WCLT still retains its current tenancy standard as a useful guide and operational reference point in relation to tenancies and tenancy review processes.

2.3 Achievements against objectives set

The objectives for the period 2020-2022 were approved by the Board in September 2019. Satisfactory progress was achieved in all the ongoing management objectives and steady progress was made towards the acquisition of 10 new properties in Wykeham Vale. It was planned that these homes would become available during the financial year but delays in construction encountered by the developer (Croudace Homes Ltd) as a result of the pandemic, loss of workers returning to the EU after Brexit and supply constraints meant that there were no completions during the year. The properties will become available in FY 2022/23. All arrangements to finance the purchases, however, were completed during the year, as anticipated in the report for the previous year. Loan finance was arranged in principle with Triodos Bank (long-term loan) which supplemented grant funding from Winchester City Council and South Downs National Park, the remainder coming from reserves, most notably boosted by a £250,000 donation from the estate of a local businessman. The necessary documentation to complete the purchases and the financial underpinning was all completed before the year end. The Trust has participated with the developer and Aster Homes (from whom the properties will be purchased) in regular project progress meetings throughout the year. Relations with

these parties has been consistently cordial and constructive ensuring that quality of construction and finish is expected to be to the Trust's specification when eventually completed. As noted in 2.2.2 above, a revenue grant from the Community Housing Fund through Homes England covered much of the pre-development costs incurred by the Trust but had not been fully utilised by year end and so a repayment of the money unused was necessary in the early part of the following year. The Trust will pay the necessary costs incurred as a result of the repayment, out of reserves, boosted as they have been by the significant donation received during the year, without jeopardising in any way the Trust's financial security.

Much work was completed during the year in terms of financial modelling to ensure that the new homes to be purchased in Wykeham Vale could be financed without over-straining financial resources and especially to model income from rent on these homes in accordance with the terms of the s106 which requires the homes to be let at no more than Local Housing Allowance and thus be "affordable" according to Homes England requirements. In that respect, to comply with Homes England requirements to register as eligible to charge affordable rents, the Trust applied to be an investment partner in the Wayfarer Consortium of organisations. Membership was granted in February 2022 making the Trust part of the consortium's contract with Homes England that runs until 2026.

In addition to growth and expansion objectives the 2020-2022 objectives include the intent to increase the local profile of the Trust and although no action took place on these goals in the year, plans were made in outline and agreed to be carried out in the following year.

WCLT will continue to monitor and review its achievements to ensure it continues to meet its aims.

3. FINANCIAL REVIEW

The financial statements have been prepared in accordance with the Housing SORP 2018.

Under this SORP the capital grant from Homes England used for the purchase of homes in Houghton Gardens, is classified as deferred income in the Balance Sheet with a proportion being taken each year to the Income and Expenditure account.

Also, under this SORP, the Income and Expenditure account is titled the Statement of Comprehensive Income and the Balance Sheet is called the Statement of Financial Position. In addition, we have included a Statement of Cash Flows.

The principal financial management policies in force are WCLT's Financial Controls Policy, Monitoring and Review Policy and WCLT's Reserves Policy.

3.1 Financial position at the end of the period

We are reporting a surplus for the year of £5,348 (2020/21 surplus of £7,780).

The Trust's operating performance in this financial year has been consistent with prior years. The cash position at the end of the year was very strong as a result of grant income unspent during the year and the cash donation made in the previous year that is still held in our accounts. The surplus was

planned to be lower through the payment of a deposit (£205,000) on the purchase of 10 homes in Wykeham Vale, Wickham before year end but this payment fell just outside the Financial Year, in April '22. The sums are carried forward in anticipation of the transaction being completed successfully during FY 2022/23. The deposit amount is half of the total grant agreed with the Council towards this project, the remainder due on practical completion of the units.

Cash has remained high during the year as a result of the delays in completing the purchase of homes in Wykeham Vale.

3.2 Reserves

WCLT 's Reserves Policy states the Trust's intention to hold reserves to the equivalent of at least 6 months' of normal operating costs in order to:

- ensure continuity in meeting the needs of beneficiaries and the Charity's financial obligations
- ensure the Charity can bridge cash flow problems in periods of changeover when beneficiaries leave or move into properties or rental income drops at such times
- maintain and develop its charitable activities.

In line with Charity Commission guidance this policy was reviewed in July 2021 and will be reviewed annually.

As at 31 March 2022 the Trust held reserves of £351,851 (2020/21: £346,503). The reserves held at the end of the Financial Year are the equivalent of 113 months' operating expenditure.

3.3 Principal Funding Sources

3.3.1 Lenders in the period were as follows:

- Charity Bank
- Winchester City Council
- Hyde Group

3.3.2 Donations:

- None

3.4 Rental Income

3.4.1 Rental Income from the four rental properties has provided a steady income throughout the financial year. There were no void periods.

3.4.2 Rental Income from shared ownership homes also provided a steady income.

3.5 Expenditure

3.5.1 WCLT has continued to be cautious with its expenditure and at the end of the period finances remained healthy. Our budgeting reflects increased maintenance costs. Otherwise,

expenditure in this financial year has been predominantly on administration, legal and financing fees and insurance and the Trust continues to track closely to its original financial model.

- 3.5.2 Legal costs regarding the Wykeham Vale project were incurred and represented the most significant single operating cost to the Trust. These costs will continue into the following year but will have to be met from reserves as a result of the closure of the Community Housing Fund.
- 3.5.3 All payments are governed by WCLT's Financial Controls Policy and any repayment of expenses to directors is made according to the regulations laid down in that policy.

3.6 Risks

- 3.6.1 The Trust, by the very nature of its business model, is dependent on rental revenues and on external finance, and will thus always remain exposed to potential increases in interest rates. Risk Appraisals constantly review the situation, but by the end of the financial year it was becoming clear that interest rates would rise, led by changes to Bank of England base rate. Lending arrangements made with Triodos Bank regarding Wykeham Vale property purchases are at 3.0% above base rate. Continuous modelling conducted during the year demonstrates that existing and new business can still return surpluses even at base interest rates rising up to circa 2.0%. Above that level it may be necessary to discuss remedial arrangements with lenders
- 3.6.2 Succession planning features in the Trust's regular risk appraisal.
- 3.6.3 Plans for future involvement in other sites (see 3.10 below) also feature within our regular assessment of risk.
- 3.6.4 The impact of the Corona virus pandemic on our tenants has been closely monitored and support offered to them should the need arise. The Trust is pleased to report that no issues arose during the year or in the months following its close.
- 3.6.5 The voluntary affordable homes sector is dependent on support from the government. The Trust has benefitted in past years from the availability of the Community Housing Fund (CHF). The Trust has continued during the year to try to persuade the government to expand provision of grants for which it might be eligible but in view of the worsening economic climate it is unlikely to see a positive result.
- 3.6.6 The Government has absolved Community Land Trusts from the right to buy that affects other forms of affordable housing provider. If this were to change it would impact the Trust's charitable objects and so this risk is constantly under review.

3.7 Investment

As part of the original loan terms with Charity Bank, WCLT has £8,443 (20120/21: £8,426) in a Charity Bank Deposit Account. Although Charity Bank has been sufficiently satisfied with the soundness of WCLT's performance to lift this condition WCLT chooses to retain this deposit.

3.8 Fundraising activities

WCLT has not undertaken any active fundraising in the course of this financial year.

3.9 Events subsequent to this report period

- 3.9.1 The two rent reviews conducted in the year, one for the rental properties and one for the shared ownership homes, were conducted in the last quarter of this report period, with implementation following in the subsequent reporting period.
- 3.9.2 The Trust has entered into a purchase contract with Aster Homes for the purchase of the 10 homes in Wykeham Vale and looks forward to allocating deserving tenants to the properties in 2022/23.

3.10 Plans for the forthcoming year

In addition to the ongoing management of WCLT's existing properties, the Trust's activities in 2022/2023 will be heavily influenced by progress on projects to expand its portfolio of affordable homes.

- 3.10.1 Completion of arrangements to purchase 10 homes in the Wykeham Vale project. The opportunity for the Trust to be involved has been well supported by the local authority, the developer and the RSL purchasing the majority of affordable units together with Triodos Bank so that at year end the final steps in negotiations were under way and fulfilment of these is expected in the months immediately following the year end.
- 3.10.2 Discussions with both Winchester City Council and Homes England to develop options for WCLT's acquisition of 20 further homes on a Homes England site at Knowle, near Wickham, were flagged in last year's report. The Trust will continue to pursue these in the next period.
- 3.10.3 WCLT has continued its excellent working arrangements with developers/housing associations bidding for involvement in the above sites.
- 3.10.4 At each step of the way, WCLT carefully appraise any financial and viability risks involved in these new openings
- 3.10.5 WCLT has addressed issues of scaling up to deal with these potential developments and recruiting extra trustees to cover increased workload and/or to employ a member of staff to assist with the increased administrative work.
- 3.10.6 The Trust will be mounting a campaign to inform more widely local people of the Trust's work, start a "friends" of WCLT group and encourage donations.

4. STRUCTURE, GOVERNANCE AND MANAGEMENT

4.1 Governing Document

Wickham Community Land Trust (WCLT) is registered in England and Wales as a Company Limited by Guarantee with charitable aims, with the governing documents being Memorandum and Articles of Association. It was registered as such on 2nd June 2008

4.2 Legal Definition of a Community Land Trust under the Housing & Regeneration Act 2008

WCLT meets the legal definition of a community land trust as defined by the Act.

4.3 Members and Membership

Subscribers to the Memorandum and Articles of Association were the first members of the Charity. Membership is open to other individuals or organisations who apply to the Charity in the form required by the Directors and who are approved by the Directors. The Board hopes to recruit new members in this way as part of its succession planning.

There is one class of membership.

Persons with Significant Control: WCLT keeps a register in which to record such but at present the position is Nil.

In accordance with our Conflicts of Interest Policy all directors are required to complete annually a Register of Interests.

There have been no changes to the composition of the Trust Board during the year.

Any local authority appointments should be maintained at less than 20% of the total board. There are currently no LA appointments represented on the Board.

4.4 Director Induction, Training and development

Directors are provided with a Trustee Role Description and asked to sign a Trustee Code of Conduct and to complete a Declaration in respect of Individual Voluntary Arrangements, bankruptcy and unspent convictions. All directors have a copy of the Charity Commission publication 'The Essential Trustee: what you need to know'. Updates in the Charity Commission's Newsletters are disseminated to Directors during the year.

Suitable opportunities for development through attending courses, conferences or seminars are identified and supported at Board level.

4.5 Organisational and Structural Matters

4.5.1 Day to Day Management

The day-to-day management of WCLT is undertaken either by an executive committee or by the Housing Sub-Committee. The executive committee consists of the Chairman, Nicol Holladay, the Company Secretary, Anthony Raymer, and the Vice Chairman, Geoffrey Phillpotts, with involvement of the Financial Director where relevant. The Housing Sub-Committee is made up severally of Geoffrey Phillpotts, David Thompson, Christopher Cook, Jane Isaac and Wendy Greenish to deal with individual housing matters and the allocation of properties and they are called upon on a more ad hoc basis depending on the skills required and their time available. Other directors according to their skills and roles are called on as per actions agreed at meetings. Directors are regularly updated on current issues at the board meetings and all major and policy decisions are taken by the board.

- 4.5.2 **Code of Practice** WCLT has its own Code of Practice and Financial Viability, based on that of the Housing Regulator's Standard, which the Board deems appropriate to the organisation's size and role as a non-profit registered provider.
- 4.5.3 **Code of Governance** has its own Code of Governance based on that of the Charity Commission. Both this and the Code above set out the fundamental values which underpin WCLT's operation and against which the Board can assess the effectiveness of its governance arrangements and operation.
- 4.5.4 WCLT's **master tenancy documents** are in line with current legislation.
- 4.5.5 **Asset Register** WCLT manages its resources prudently to ensure its viability and actively assesses and manages risk. Whilst our properties have not been revalued in the accounts (see accounting policy h) a valuation carried out in April 2018 at the behest of Charity Bank showed that all the properties have a market value well in excess of cost and these market values have been noted in the asset register.
- 4.5.6 **Data Protection:** in line with current legislation on GDPR WCLT has audited the data it handles. It has published its Privacy Policy and the Board receives a Data Protection report at each meeting.
- 4.5.7 **Risk Management** Consideration of WCLT's Risk Appraisal is led by Trustee David Thompson and embedded as a regular item in Board Meetings and the Board is satisfied that WCLT's consideration of risk is sufficiently informed to encompass consideration of both internal and external matters and that WCLT has complied with regulatory requirements to date and will continue to do so in the foreseeable future.
- 4.5.8 **Insurance:** WCLT's cover provides for Directors' and Officers' Liability Insurance, Public and Products Liability Insurance, Property Owners' Liability Insurance and Buildings Insurance. WCLT holds NHBC certification for all its eight properties.
- 4.5.9 **Legal**
- i) New tenants are initially offered our Starter Only Assured Shorthold Tenancy, and progress to a five-year Fixed Term Assured Shorthold Tenancy after a satisfactory probationary period.
 - ii) Shared Ownership Agreements are based on the Homes England Model Lease for Protected Areas, with stair-casing restricted to 80%.
 - iii) Our tenancy agreements are reviewed and endorsed by our legal advisers.
- 4.6 **Relationships with related parties**
- 4.6.1 **Charity Commission:** WCLT is a registered charity (registration 12th March 2010). WCLT submits an Annual Return to the Charity Commission and is in receipt of its informative Quarterly Newsletters.
- 4.6.2 **Homes England and Regulator of Social Housing:** WCLT is registered as a non-profit private registered provider of social housing with the regulating body. WCLT in terms of regulation counts as a small provider. As a Registered Provider WCLT reports to and receives advice from the regulator and submits its Statistical Data Return under NRosh+.
- 4.6.3 WCLT, through its own policy documents and processes, both seeks to meet the regulator's Economic Standards and to reflect its Consumer Standards. These underpin WCLT's operations and throughout this financial period WCLT has sought to maintain and review its performance against these operating standards.
- 4.6.4 **Hyde Housing Association:** With WCLT owning its current portfolio of properties on a shared site with Hyde Housing Association communication between us is important.

- i) The working relationship between WCLT and Hyde's local housing management team is in essence co-operative and effective.
- ii) Communication with Hyde Group's centralised departments can be more difficult. WCLT strives to keep the channels of communication open and effective but success in communication with Hyde Housing's Service Charge and Income Departments can be patchy in respect of Estate Charges (see section 6 below: Funds held as custodian trustees)

4.6.5 **Winchester City Council (WCC)**

WCLT's relationship with Winchester City Council has strengthened further in the year through its contributions to the local authority's community led housing initiatives. WCLT continues to report to Winchester City Council and provide it with allocation data on its homes so that together with the zone agent, Radian Group (see Radian Group below), an up-to-date picture of housing need in the area can be maintained. To comply with s106 arrangements covering Wykeham Vale, WCLT has submitted a revised Allocations Policy to WCC in order to allow it to provide affordable homes on that site. The revised policy has been agreed and came into force during the year.

4.6.6 **Radian Group:** WCLT is party to a service level agreement with the Local HomeBuy Agent, Radian, for housing in Winchester City's district. As part of this, their online property website for the area, originally HomesinHants and now "HelptoBuySouth", advertises WCLT's affordable homes, puts potential applicants in touch with WCLT and notifies WCLT of the waiting list for homes in the area. In turn WCLT provides Radian with WCLT's allocation data.

4.6.7 **National CLT Network (NCLT)** WCLT is a member and both benefits from this membership and actively supports the NCLT in its work.

4.6.8 **Information Commissioner and the Housing Ombudsman:** WCLT is registered with the former in respect of Data Protection and, as a provider of social housing, is registered with the Housing Ombudsman Service.

4.6.9 **Wickham Parish Council:** WCLT maintains its links with Wickham Parish Council with communications with the Clerk to the Parish Council and individual councillors and exhibited at the Parish Assembly in May 2020.

4.6.10 **Hampshire Home Choice:** in order that the Trust can offer homes on Wykeham Vale to qualifying tenants, its allocations and nominations policy has been revised to satisfy the requirements of the s106 agreement governing the provision of affordable homes on the site. *Inter alia*, this required the Trust to sign up to advertise affordable vacancies to local people through Hampshire Home Choice.

5. REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Charity Name:	Wickham Community Land Trust
Charity Registration Number:	1134897
Homes England Registered Provider:	4692
Company Registration Number:	06608621

Wickham Community Land Trust
A Registered Charity and Company Limited by Guarantee
Trustees' Report & Financial Statements for the year ended 31 March 2022
Company Reg. No: 06608621 Charity Number: 1134897

Registered Office and operational address: The Old Post Office,
Station Road Wickham, Hampshire.
PO17 5JA.

Correspondence address: P.O. Box 739, Fareham, Hants, PO14 9RH.

Board of Directors:

Mr. N. A. Holladay	Chairman
Mr. G.S. Phillpotts	Vice Chairman
The Reverend A. J. Smith	Finance Director
Mr. A. Raymer	Director and Company Secretary
Mr. C. Cook	
Mr. E. Fitzgerald	
Mr. D.R. Thompson	
The Reverend Jane Isaac	Nominee of Benefice of St. Nicholas, Wickham and St.
John the Baptist, Shedfield.	
Mrs Wendy Greenish	

Bankers: NatWest, 52 West Street, Fareham, Hants. PO16 0JX

Legal Advisers: Anthony Collins Solicitors LLP, 134 Edmund Street, Birmingham, B3 2ES

Auditors: Rothmans Audit LLP, Statutory Auditors and Chartered Accountants, Avebury House, St Peter Street, Winchester, Hampshire, SO23 8BN.

Chartered Surveyors: Chandler Hawkins (Portsmouth)

Hon. Adviser: Capt A. R. Robinson, RN

Managing Agent: Byrne Runciman, Estate Agents, The Square, Wickham, Hampshire, PO17 5JT

6. FUNDS HELD AS CUSTODIAN TRUSTEES

6.1 WCLT levies certain monthly charges from their tenants:

- i) Service charges for Maintenance and Sinking Fund together with an administrative and accounting costs fee
- ii) Estate Service Charge for grounds maintenance undertaken by Hyde Housing and payable to them on invoice. There is a collection fee associated with this.

6.2 As custodian of funds held on behalf of others WCLT has two Client Accounts into which to deposit sums related to i) and ii) above:

- i) Sums related to the General Service Charges and Estate Service Charges are paid into a current account.

- ii) Contributions collected for the Sinking Fund are placed in an interest-earning Business Reserve Account.

6.3 General Service Charge. WCLT, in its review of rents and service charges in February 2020 decided again to increase the levy rate for Sinking Fund to allow for inflation at 1.7%. This increase of the General Service Charge came into effect from May 2021.

6.4 Estate Service Charge:

- 6.4.1 WCLT continues to have a less than straightforward working relationship with Hyde on the matter of these charges and arrangements, though eventually being resolved, have remained complicated by the difficulty of reaching appropriate staff
- 6.4.2 As in previous years, arrangements with Hyde Housing in respect of Estate Service Charges have not run smoothly despite constant efforts. Nevertheless, the Trust makes adequate provisions to meet the charges which eventually are communicated to us and after various corrections that need to be made, annual costs are agreed and paid. We regard that, after several years' experience, budgets are predictable, provisions are adequate, and expenditure is under financial control.

7. CONCLUSION

WCLT has enjoyed a period of consolidation and frustration. The Trust has concentrated on managing its properties as well as possible for the individual residents and with regard to the long-term aims of the Trust. But frustration has been caused by the delays in completion and purchase of the 10 homes in Wykeham vale, for reasons covered above.

From a sound financial base, WCLT has been able, however, to maintain its interest in the new properties and these will come into the CLT's possession in FY 2022/23. WCLT's involvement in community led housing will remain crucial to this community because it is able to accommodate local people in perpetuity. The addition of the 10 homes on the site to the Trust's portfolio is a major step forward in the growth of the service to local people in need that remains at the heart of the Trust's objectives.

WCLT is very grateful for the support of local people and those organisations with which we have worked over the last few years. We particularly appreciate the good and sometimes special working relationships with these supportive organisations.

Sincere thanks are also due to the directors who have given their time and expertise generously and voluntarily to push WCLT's goals forward. WCLT is grateful to those directors who are keen to continue into next financial year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors 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 these financial statements, the directors are required to:

- ensure continuity in meeting the needs of beneficiaries and the Charity's financial obligations
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Housing SORP
- make judgments and 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 charitable company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. 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 directors are aware:

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board,



Anthony Raymer
Director and Company Secretary

20 September 2022

Independent Auditor's Report to the Members of Wickham Community Land Trust

Opinion

We have audited the financial statements of Wickham Community Land Trust (the 'Trust') for the year ended 31 March 2022 which comprise the Statement of Consolidated Income, the Statement of Financial Position, the Cash Flow Statement, the Statement of Changes in Reserves and notes to the financial statements, including 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 Trust's affairs as at 31 March 2022, and of 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, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

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 association 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 board's 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 association'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 board with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual reportⁱ, other than the financial statements and our auditor's report 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.

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.

Opinion on other matter 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

Directors' responsibilities

As explained more fully in the directors' responsibilities statement set out on pages 14 and 15, the directors (who are also the trustees 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 directors determine are 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 directors are responsible for assessing the Trust'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 directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The objectives of our audit, in respect to fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures include the following:

The extent to which the audit was considered capable of detecting irregularities including fraud

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 obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and those laws and regulations that had a direct effect on the financial statements.

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

- 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 Trust, including FRS102, the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence and the 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 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
- 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
- enquiring of management as to actual and potential litigation and claims
- reviewing correspondence with relevant regulators, including Homes England and the Regulator of Social Housing and the company's legal advisors; and
- reviewed legal and professional expenditure incurred in the year.

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 auditor's report.

Wickham Community Land Trust
A Registered Charity and Company Limited by Guarantee
Trustees' Report & Financial Statements for the year ended 31 March 2022
Company Reg. No: 06608621 Charity Number: 1134897

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

Use of our Report

This report is made solely to Wickham Community Land Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Trust'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 association and the Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

S A Sullivan FCA

29 September 2022

Susan Sullivan FCA (Senior Statutory Auditor)

For and on behalf of
Rothmans Audit LLP
Chartered Accountants and Statutory Auditors
Avebury House
6 St Peter Street
Winchester
Hampshire
SO23 8BN

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2022

Company Reg. No: 06608621

Charity Number: 1134897

Statement of Comprehensive Income

For the year ended 31 March 2022

		2022	2021
	Note	£	£
Turnover	2	50,427	72,925
Operating expenditure	2	(37,371)	(57,457)
Operating Surplus		13,056	15,468
Interest receivable and other income	3	18	75
Interest payable and financing costs		(7,726)	(7,763)
(Deficit)/Surplus on ordinary activities before taxation	4	5,348	7,780
Taxation	5	-	-
(Deficit)/Surplus for the year and total comprehensive income	14	5,348	7,780

The results relate wholly to continuing activities.

The accompanying notes form part of these financial statements.

The financial statements were approved and authorised for issue by the Directors on 20 September 2022 and signed on their behalf by



Nicol Holladay
Chairman & Director



Geoffrey Phillpotts
Director


Statement of Financial Position

As at 31 March 2022

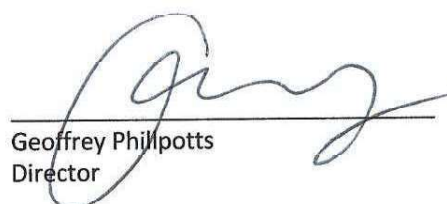
	Note	31 March 2022	31 March 2021
		£	£
Fixed assets			
Tangible fixed assets	7		698,555
Current assets			
Prepaid expenses	8	3,969	3,748
Cash at bank and in hand		531,572	523,128
		535,541	526,876
Creditors – Amounts falling due within one year	9	(226,526)	(21,248)
Net current assets		309,015	505,628
Total assets less current liabilities		995,268	1,204,183
Creditors – Amounts falling due after more than one year	10	(632,349)	(847,707)
Provisions for liabilities	13	(11,068)	(9,973)
Total Net assets		351,851	346,503
Reserves			
Income and expenditure reserve	14	351,851	346,503
Total Reserves		351,851	346,503

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Directors on 20 September 2022 and are signed on their behalf by



Nicol Holladay
Chairman & Director



Geoffrey Philippotts
Director

The notes on pages 25 to 34 form part of these accounts

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2022

Company Reg. No: 06608621

Charity Number: 1134897

Statement of Cash Flows

For the year ended 31 March 2022

	Note	2022 £	2021 £
Net cash generated from operating activities	15	17,452	(1,774)
Cash Flow from Investing Activities			
Interest received		18	25
Cash Flow from Financing Activities			
Grants and donations received		(1,300)	22,095
Interest paid and other finance costs		(7,726)	(7,763)
Net change in cash and cash equivalents		8,444	12,583
Cash and cash equivalents at the start of the year		523,128	510,545
Cash and cash equivalents at the end of the year		531,572	523,128

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2022

Company Reg. No: 06608621

Charity Number: 1134897

Statement of Changes in Reserves

	Income and expenditure reserve £	Total £
At 1 April 2020	338,723	74,998
Surplus for the year	7,780	263,725
Total comprehensive income	7,780	263,725
At 31 March 2021 and 1 April 2021	346,503	338,723
Surplus for the year	5,348	7,780
Total comprehensive income	5,348	7,780
At 31 March 2022	351,851	346,503

Notes to the Financial Statements

1. Accounting policies

a) *Legal status*

Wickham Community Land Trust is registered under the Companies Act 2006 as a company limited by guarantee incorporated in England and Wales. It is registered with both the Charity Commission and Homes England as a Registered Provider and is a public benefit entity. Its registered office is The Old Post Office, Station Road, Wickham, Hampshire, PO17 5JR

b) *Basis of preparation*

The financial statements have been prepared

- under the historic cost convention
- on the going concern basis
- in accordance with the Statement of Recommended Practice for social housing providers known as the Housing SORP 2018
- in accordance with the Accounting Direction for private registered providers of social housing in England 2019
- in accordance with the Charities Act 2011
- in accordance with applicable UK Generally Accepted Accounting Principles (UK GAAP) accounting standards, including Financial Reporting Standard 102 (FRS 102)
- in accordance with the Companies Acts 2006.

The financial statements are presented in sterling which is the functional currency of the Trust and are rounded to the nearest pound.

As the Company is a charity, the wording of the statutory formats required by the Companies Act 2006 has been appropriately amended in order to give a true and fair view.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

c) *Significant Judgements*

In applying the various accounting policies relevant to social landlords, the trustees have determined to categorise the houses owned by the trust as fixed assets rather than investment properties. As such they are shown at cost rather than market value. As house prices have risen since the houses were acquired by the trust this means that they are shown in the accounts below market value.

d) *Key Assumptions and sources of estimation uncertainty*

The trustees consider that there are no significant areas of uncertainty in the assumptions they have made that would be likely to cause a material change to the carrying value of any assets or liabilities over the next year.

1. Accounting policies (continued)

e) Funds structure

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

f) Turnover

Turnover comprises rental income receivable in the year, service charges receivable in the year and income from shared ownership first tranche sales. Income from first tranche sales is recognised at the point of legal completion of the sale.

g) Expenditure

Expenditure is recognised on an accruals basis.

h) Fixed assets

Housing Properties

The company holds four properties available for rent and four properties available for shared ownership.

Fixed assets are stated at cost less accumulated depreciation.

Depreciation

Freehold land is not depreciated.

The company separately identifies the major components which comprise its housing properties and charges depreciation so as to write down the cost of each component to its estimated residual value, on a straight-line basis, over its estimated useful economic life.

The company depreciates the major components of its housing properties over the following timescales

Structure	100 years
Roof	60 years
Kitchen	20 years
Bathroom	30 years
Boiler	15 years
Heating System	30 years
Windows & Doors	20 years
Electrics	30 years

1. Accounting policies (continued)

Impairment

Impairment reviews are carried out as and when evidence comes to light that the recoverable amount of a functional fixed asset is below its net book value due to damage, obsolescence or other relevant factors.

i) Shared ownership properties

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to first tranche sales. The first tranche proportion is classed as a current asset and related sale proceeds included in turnover and the remaining element is classed as fixed assets and included in housing properties at cost, less any provisions needed for depreciation or impairment.

j) Social Housing Grant

Social housing grant (SHG) is receivable from Homes England. Under SORP 2018 the company has adopted the accruals model for the recognition of government grant and is required to account for such grants as deferred income and to take a portion of the grant to income each year. Grants relating to housing properties are recognised in income on a systematic basis over the useful economic life of the housing property structure.

k) Debtors and Creditors due within one Year

Debtors and creditors receivable or payable within one year, and with no stated interest rate, are initially recorded at transaction price and are subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

l) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

The Trust is in receipt of two loans with interest rates below the prevailing market rate of interest. These loans are not repayable on demand and are for the purposes of furthering the objectives of the public benefit entity or public benefit entity parent and are therefore accounted for as concessionary loans. These loans are initially measured at the amount received and in subsequent years the carrying amount of these loans is adjusted to reflect any accrued interest payable.

m) Provisions for Liabilities

Provisions are recognised when the Trust has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

2. Income and Expenditure from Social Lettings

	2022	2021
	£	£
Turnover		
Intermediate rental income	31,697	31,408
Shared Ownership rental income	14,215	13,987
Homes England grant taken as income	3,700	3,700
Homes England revenue grant	(1,300)	22,045
Charges for support services	2,115	1,785
	<u>50,427</u>	<u>72,925</u>
Expenditure		
Maintenance costs	(3,374)	(6,666)
Insurance	(4,160)	(4,186)
Void costs	-	-
Property Management Costs	(2,662)	(2,638)
Other costs	(27,175)	(43,967)
	<u>(37,371)</u>	<u>(57,547)</u>

Rental income is stated net of identifiable service charges.

3. Interest receivable and other income

	2022	2021
	£	£
Interest receivable	18	25
Insurance claims	-	-
Donations & grants received	<u>-</u>	<u>50</u>
	<u>18</u>	<u>75</u>

4. Surplus on ordinary activities

This is stated after charging:

	2022	2021
	£	£
Auditor's remuneration – for audit services	3,948	3,924
Auditor's remuneration – non-audit services	360	564
Depreciation	<u>12,302</u>	<u>12,302</u>

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2022

Company Reg. No: 06608621

Charity Number: 1134897

5. Taxation

As a charity, WCLT is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

6. Key management personnel remuneration and employees

Key management personnel neither received nor waived any remuneration during the year. (2021: £nil). The charity had no employees in the current or previous year.

7. Tangible fixed assets

	Freehold Land and Buildings - Intermediate Rent	Freehold Land and Buildings - Shared Ownership	Total
	£	£	£
Cost			
At beginning of year	495,007	310,166	805,173
Additions	-	-	-
At end of year	<u>495,007</u>	<u>310,166</u>	<u>805,173</u>
Depreciation			
At beginning of year	(66,873)	(39,745)	(106,618)
Charge for year	(7,716)	(4,586)	(12,302)
At end of year	<u>(74,589)</u>	<u>(44,331)</u>	<u>(118,920)</u>
Net book value			
At 31 st March 2022	<u>420,418</u>	<u>265,835</u>	<u>686,253</u>
At 31 st March 2021	<u>428,134</u>	<u>270,421</u>	<u>698,555</u>

The above assets, with a net book value of £686,253 are pledged as security against the Trust's loans.

8. Prepaid expenses

	2022	2021
	£	£
Insurance costs	3,879	3,660
Other	90	88
	<u>3,969</u>	<u>3,748</u>
	<u><u>3,969</u></u>	<u><u>3,748</u></u>

9. Creditors – Amounts falling due within one year

	2022	2021
	£	£
Bank Loans (note 12)	6,687	6,604
Other creditors	7,191	7,128
Accrued expenses	3,948	3,816
Deferred income from Homes England grant	3,700	3,700
Deferred grant from WInchester City Council	205,000	-
	<u>226,526</u>	<u>21,248</u>
	<u><u>226,526</u></u>	<u><u>21,248</u></u>

10. Creditors – Amounts falling due after more than one year

	2022	2021
	£	£
Bank loans (note 12)	217,022	224,171
Loans from other institutions (note 12)	84,794	84,302
Deferred income from grants (note 11)	330,533	539,234
	<u>632,349</u>	<u>847,707</u>
	<u><u>632,349</u></u>	<u><u>847,707</u></u>

The loans from other institutions are concessionary loans with interest rates below the prevailing market rate.

11. Deferred Grant Income

	2022	2021
	£	£
At 1 April	542,933	546,633
Received in the year	-	-
Released to income in year	<u>(3,700)</u>	<u>(3,700)</u>
At 31 March	<u>539,233</u>	<u>542,933</u>
Amounts to be released within 1 year	208,700	3,700
Amounts to be released in more than 1 yr	<u>330,533</u>	<u>539,233</u>
	<u>539,233</u>	<u>542,933</u>

12. Bank loans and loans from other institutions

	2022	2021
	£	£
Due within one year and on demand	6,687	6,604
Due after one year but less than two years	6,942	6,687
Due after two years but less than five years	22,455	21,630
Due after more than five years	<u>272,418</u>	<u>280,156</u>
	308,502	315,077
	<u>308,502</u>	<u>315,077</u>

The aggregate amount of debt secured upon the intermediate rental properties and the share of shared ownership properties retained by the trust is £308,502

The loans bear interest in the range of 0% to 3.75%. The instalment loan is repayable over 25 years and as at 31 March 2022 £272,418 of instalments were due after more than 5 years.

13. Provisions for liabilities and charges

	2022	2021
	£	£
Provision for future overhaul	11,068	9,973
	<u>11,068</u>	<u>9,973</u>

Provisions for liabilities and charges comprise of amounts set aside for the future overhaul of the properties.

14. Reserves

	Unrestricted general reserves	Total reserves
	£	£
Balance as at 1 April 2021	346,503	346,503
Surplus /(deficit) for year	5,348	5,348
At 31 March 2022	<u>351,851</u>	<u>351,851</u>

15. Statement of Cash Flows from Operating Activities

	2022	2021
	£	£
Surplus for the year	5,348	7,780
Adjustment for non-cash items		
Depreciation	12,302	12,302
Increase in deferred income	-	-
Amortisation of government grant	(3,700)	(3,700)
(Increase) in prepayments	(221)	(7)
(Decrease)/increase in creditors	195	1,540
(Decrease) in loans	(6,575)	(6,427)
Increase in provisions	1,095	1,095
Adjustment for investing and financing activity		
Interest payable and other finance costs	7,726	7,763
Grants repaid/(received)	1,300	(22,095)
Interest received	(18)	(25)
Net cash generated from Operating activities	<u>(17,452)</u>	<u>(1,774)</u>

15a Analysis of changes in net debt

	2021	Cash Flows	Other changes	2022
	£	£	£	£
Long term borrowings	315,077	(6,575)	-	308,502
Total liabilities	<u>315,077</u>	<u>(6,575)</u>	-	<u>308,502</u>
Cash and cash equivalents	(523,128)	(8,444)	-	(531,572)
Total net debt	<u>(208,051)</u>	<u>(15,019)</u>	-	<u>(223,070)</u>

16. Accommodation in management

At the end of the year, accommodation in management for each type of property was as follows:

	2022	2021
Shared ownership	4	4
Intermediate rent	4	4
	<hr/>	<hr/>
	8	8
	<hr/>	<hr/>

17. Company limited by guarantee

Wickham Community Land Trust is a company limited by guarantee and has no share capital. As at 31st March 2022 there were 9 (nine) members. Every member promises, if the Company is wound-up, to contribute such sum (not exceeding £10) as may be demanded of him or her towards any deficit.

18. Director Information

No remuneration was paid to the Directors during the year (2021: £nil).

19. Capital commitments

At 31st March 2022 there were no capital commitments (2021: none).

20. Related parties

During the year, no expenses were reimbursed to trustees (2021: £nil). No expenses were reimbursed to a company in which a trustee has an interest.

21. Ultimate controlling party

Wickham Community Land Trust is ultimately controlled by the board of Trustees.

22. Financial instruments

The carrying amounts of the Trust's financial instruments are as follows:

	2022 £	2021 £
Financial assets measured at amortised cost:		
- Cash at bank and in hand	<u>531,572</u>	<u>523,128</u>
	<u>531,572</u>	<u>523,128</u>
Financial liabilities measured at amortised cost		
- Other creditors (note 9)	7,191	7,128
- Bank and other Loans (note 12)	<u>308,502</u>	<u>315,077</u>
	<u>315,693</u>	<u>322,205</u>

The total interest income for financial assets that are measured at amortised cost was £18 (2021: £25).
The total interest and finance expense for financial liabilities that are measured at amortised cost was £7,726 (2021: £7,763)

SAS/SD/WI054

29 September 2022

The Trustees
The Wickham Community Land Trust
25 Dairy Moor
Wickham
Hampshire
PO17 5JR

Dear Sirs

In accordance with our normal practice, we are writing to draw your attention to various matters which arose during the course of our audit of the charitable company's accounts for the year ended 31 March 2022:-

1. We have no comments to make concerning the qualitative aspects of the entity's accounting practices and financial reporting.
2. We did not encounter any significant difficulties during the audit and there are no significant findings from the audit to draw to your attention.
3. A draft of our proposed letter of representation is attached. We draw your attention to paragraphs 21, 24, 25, and 26. In other respects the letter is routine.
4. A schedule is attached of all the unadjusted misstatements determined during the course of our audit, except for those considered to be clearly trivial. You have advised us that your reasons for not adjusting the financial statements in respect of these misstatements are that they are not material. For your information we also attach a schedule of adjustments that you agreed should be processed when finalising the accounts.
5. As you are aware from our letter of engagement, our audit procedures were directed towards testing the accounting systems in operation upon which we have based our assessment of the accounts. We did not identify any significant weaknesses during the course of our audit.
6. We do not propose any modifications to our audit opinion and hence will be issuing a clean audit report.
7. We have confirmed to you that the firm does not provide any services to you which may affect our independence.

Rothmans Audit
Statutory Auditors &
Chartered Accountants
Avebury House
St Peter Street
Winchester
Hampshire
SO23 8BN

The firm and the audit engagement team have therefore complied with relevant ethical requirements concerning independence and we confirm that we are independent and able to express an objective opinion on the financial statements.

We would like to take this opportunity of expressing our thanks to you for your assistance during the course of our audit.

Please note that this report has been prepared for the sole use of the Wickham Community Land Trust. With the exception of the Homes and Communities Regulation Committee, it must not be disclosed to third parties, quoted or referred to, without our prior written consent. No responsibility is assumed by us to any other person.

The purpose of the audit was to enable us to express an opinion on the financial statements. The audit included consideration of internal control relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matters reported above are limited to those deficiencies that the auditor has identified during the audit and that the auditor has concluded are of sufficient importance to merit being reported to those charged with governance.

If we can be of any further assistance, please contact Sue Sullivan.

Yours faithfully

Rothmans Audit LLP

Rothmans Audit LLP

SCHEDULE OF ADJUSTED MISSTATEMENTS

During the audit, we identified two misstatements, which you have agreed to adjust in the final accounts.

Narrative	DR	CR	SOFA (I&E)	Balance sheet
Deferred Income AOY	205,000.00			205,000.00
Deferred Income WOY		205,000.00		(205,000.00)
<i>Being reclassification of grant income for property purchase made after year-end as due within one year</i>				
Maintenance		33.14	(33.14)	
Admin Charges		437.40	(437.40)	
Marketing	470.54		470.54	
<i>Being correction to classification of marketing costs</i>				
	<u>205,470.54</u>	<u>205,470.54</u>	-	-

SCHEDULE OF UNADJUSTED MISSTATEMENTS

During the audit we identified two misstatements which was above the clearly trivial threshold of £855, but which were not material to the financial statements. Management has not corrected these misstatements as they are not material in the context of the financial statements.

Narrative	Actual errors		SOFA (I&E)	Balance sheet
	DR	CR		
1 Service charges due to tenants	3,389.19			3,389.19
Provisions for liabilities		3,389.19		(3,389.19)
<i>Being provision for long term expenditure presented as amounts due to tenants</i>				
2 Accruals		2,197.39		(2,197.39)
Legal Fees	1,671.39		1,671.39	
Repairs	526.00		526.00	
<i>Being costs relating to FY2022 paid post year-end and not accrued</i>				
Total of potential adjustments	<u>5,586.58</u>	<u>5,586.58</u>	<u>2,197.39</u>	<u>(2,197.39)</u>

WICKHAM COMMUNITY LAND TRUST

England & Wales - Charity number 1134897

Accounts

06608621

Wickham Community Land Trust
A Registered Charity and Company Limited by Guarantee

Annual Report and Financial Statements for the year ended

31 March 2021

Company Registration Number: 06608621
Registered Charity Number: 1134897

Registered Office:
The Old Post Office,
Station Road,
Wickham,
Hampshire.
PO17 5JA

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2021

Company Reg. No: 06608621

Charity Number: 1134897

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DIRECTORS' REPORT

The directors present their annual report and the financial statements for the year ended 31 March 2021.

1. PURPOSES OF THE CHARITY

1.1 Purposes as set out in Wickham Community Land Trust's governing document

The charity's purposes are set out in the objects in the Company's Memorandum of Association as follows:

- The provision of social housing and housing to relieve financial hardship; and
- To promote such other charitable purposes as may from time to time be determined subject to the prior written consent of the Charity Commission.

Wickham Community Land Trust (WCLT) is dedicated to the provision of affordable housing in Wickham to relieve the financial hardship of eligible beneficiaries living in the village, surrounding area or with employment in the area; holding the property for the long term public good and protecting it from the damaging effects of asset price inflation and speculation and thereby enabling the provision of affordable housing now and for subsequent generations.

1.2 Summary of activities in support of the purposes

- Manage the business of the Trust in such manner as to cover costs and, as a not-for-profit organisation, to re-invest for maintenance of the properties
- Maintain and run our properties in such a way that they can remain a long-term public benefit, contributing to the sustainability of this community
- Manage the on-going movement of residents into and out of the properties so that the homes remain a benefit to those who qualify to occupy them on grounds of need
- Maintain the affordable nature of the accommodation
- Retain the freehold of the properties in accordance with the charitable aims of WCLT to provide asset lock
- Pursue opportunities to further meet WCLT's charitable objectives through the provision of additional affordable homes in the vicinity, working in co-operation with Winchester City Council and Homes England
- Monitor and review the charity's performance against its charitable objectives on a regular basis.

1.3 Summary of Activities in relation to public benefit

- WCLT's main focus is on providing housing for those who cannot afford from their own resources to buy or rent a home on the open market
- The housing of those living in situations inadequate or unsuitable for their needs, regardless of their age, sex, marital status or any other differentiator
- The housing of families living in overcrowded conditions by virtue of inability of young adults to find alternative affordable homes
- Housing those who lose their open market rental homes because of sale or increased rent;
- The housing of key workers serving the local area

- Provision of housing to a number of households with local connection enabling them to receive support from their families (e.g. childcare) or to provide support to family members who need help (e.g. to elderly relatives)
- Shorter journey times for those residents with work in the local area.

WCLT is not aware of any detriment or harm arising from the organisation's aims.

1.4 Benefit to a section of the public

The public which benefits from our work is made up of a cross section of age groups unable from their own resources to afford a home on the open market.

- Eligibility for housing
Selection criteria for applicants include housing need, inability to afford property to buy or to rent on the open market, the ability to meet the affordable rent/mortgage outgoings on a WCLT home, suitability of the homes WCLT has available to meet the applicants' needs and local connection (see Geographical Restriction below).
- Geographical Restriction
WCLT serves the geographical area of Wickham in Hampshire, its adjoining parishes and the administrative area of Winchester City Council, in that order of priority. Being an attractive village within reach of three cities, Winchester, Portsmouth and Southampton, Wickham's house prices, both for purchase and rent, are high and beyond the means of many people from this specific vicinity who wish to be able to live in the community from which they come or in which they work.

1.5 Identifying Public Benefit

The impact of our achievement goes wider than those families we house, and its public benefits include the following:

- A reduction in the number of people seeking affordable housing in the area
- A reduction in local barriers to housing
- An increase in housing stock available for affordable homes
- Increased availability of local accommodation for key workers serving the local area
- A reduction in distances between home and workplace for people working in the area
- The retention of assets within the local community for public benefit, providing a long-term asset lock.

1.6 Private benefit

No-one receives any private benefit from WCLT.

1.7 Directors' Public Benefit Statement

The Directors of WCLT confirm that in drawing up this report they have been aware of their duty to report on public benefit and have paid due regard to the Charity Commission's guidance in this respect.

1.8 Contribution made by volunteers

WCLT has no employees. All work undertaken by directors and our part-time bookkeeper, Mrs Brenda Farrow, is undertaken on a voluntary basis.

1.9 Additional Information

WCLT employs a Managing Agent for its rental properties. While the selection process of suitable eligible persons to occupy its properties remains under the control of WCLT, once that process is complete the Managing Agent deals with the collection of rent and service charge and manages repairs. However, WCLT remains closely involved in management issues and directly manages the shared ownership properties.

2. ACHIEVEMENTS AND PERFORMANCE

2.1 Quantitative and Qualitative Information

In this financial year the number housed by the Trust increased to 23 individuals (adults and children) who qualify under the categories outlined in 1.3 above. There were no changes in tenant occupation during the year, and there were, therefore, no void periods.

Feedback from our residents remains consistently appreciative.

2.2 Meeting the Social Housing Regulator's Standards

Directors continue to use the Regulator's Economic and Consumer Standards as points of reference for measuring our service-delivery.

2.2.1 Governance and Financial Viability Standard WCLT 's Code of Practice and Financial Viability, based on the standard, sets out the fundamental values which underpin WCLT's practice and ensures that it a) meets the Regulator's standard and b) conducts its business in an effective, transparent and accountable manner. The Board certifies its compliance with the standard during the course of 2020/2021.

2.2.2 Value for Money Standard (VFM):

The WCLT Board regularly reviews all areas of its operation to look at opportunities for reducing costs or securing additional income in line with its Value for Money Policy.

The voluntary time of Board Members in running the organisation "hands on" is a key contributor to constraining costs as well as providing a responsive service – examples include our financial and administrative returns, lettings, management of shared ownership properties, financial management and reporting. The Board recognises that as WCLT grows additional paid administrative and financial resources will be required and future projects include financial provision for such additions.

The Board recognises that maintenance costs are increasing as properties acquired in 2012 age and has increased budgetary provision in its plans for future years.

The Vice Chair and a Board member have conducted an analysis according to the Regulator's Value for Money metrics. While these are a useful tool generally the Board is aware that the small number of properties WCLT owns means they have to be used with caution and broad comparisons are not reliable.

The Regulator of Social Housing in April 2018 published new standards to Registered Providers by which to establish comparative Value for Money metrics. The following were agreed as relevant by the Board, and we present our performance evaluation against each parameter:

		2020/21	2019/20
Metric 3	Gearing	(0.26)	(0.23)
Metric 4	EBITDA MRI interest cover	0.26	1.58
Metric 5	Social Housing cost (per 8 units owned)	£7,182	£4,582
Metric 6	Operating Margin	0.30	0.26
Metric 7	Return on Capital Employed	0.01	0.01

Metrics 1 & 2 - Reinvestment and New Supply - were not used as no relevant activity in these periods. The reduction in Metric 4 has arisen because the Trust incurred significant expenditure in relation to the planned acquisition of additional housing properties, which was largely funded through government grants. The expenditure is included in Metric 4, but the corresponding government grant income is not, hence the apparent decrease in EBITDA MRI interest cover.

2.2.3 Rent Standard: whilst WCLT is exempt from this standard through its provision of housing for intermediate rent, the Board refers to the Regulator's Guideline Limit in its rent review, as recommended in the standard. In 2020 WCLT froze some rents and applied only a 1.7% rent rise to others in order to maintain affordability, although the Rent Standard guideline would have allowed a maximum 2.7% increase.

2.2.4 Home Standard

- i) Quality of accommodation: WCLT's 8 homes meet the Government's Decent Homes requirement and also Sustainability Code 3 and Lifetime Homes criteria.
- ii) Repairs and Maintenance: WCLT is responsive to matters of ongoing repair and maintenance.

2.2.5 Tenant Involvement and Empowerment Standard

WCLT convened a meeting with residents on 25th November 2020 to disseminate information, explain charges and to capture residents' views and respond to any of their concerns. More details are given at 6.4 below.

WCLT's Managing Agent also visits tenants in their homes. All tenant reviews remain positive and feedback in respect of WCLT performance has also been positive. Those tenants reaching the completion of their sixth year in residence have renewed their tenancies. WCLT will continue to take account of tenants' views in monitoring its performance as a landlord.

2.2.6 Neighbourhood and Community Standard

In managing its current portfolio WCLT works to good effect with Hyde Group, Wickham Community Association and Wickham Parish Council in respect of grounds maintenance, street lighting, the access road and community issues and with Winchester City Council and Wickham Festival organisers.

2.2.7 Tenancy Standard Although as a provider of intermediate homes WCLT is exempt from this standard WCLT still retains its current tenancy standard as a useful guide and operational reference point in relation to tenancies and tenancy review processes.

2.3 Achievements against objectives set

The objectives for the period 2020-2022 were approved by the Board in September 2019. Satisfactory progress was achieved in all the ongoing management objectives and steady progress was made towards the acquisition of 10 new properties in Wickham at the rear of School Road, now officially named "Wykeham Vale" (the projected purchase was reported in the 2019/20 report as in "School Road"). Of particular note was the offer of loan finance from Triodos Bank to supplement grant funding already agreed with Winchester City Council and South Downs National Park. Negotiations for the purchase of the properties proceeded well and a purchase agreement was close to finalisation by the year end. In addition, the necessary security documents relating to the new properties were raised and distributed to the Trust's lenders in order to ensure agreement on orders of priority over assets. The necessary legal documents were, at year end, close to finalisation and post the year end, progress has been maintained. Relations with the developer, Croudace, and the Housing Association from which we shall make the purchases, Aster, have always been good and remain so. The Trust, even before the purchases have been formally agreed, has been a party to the development since a start on site was made in the previous financial year. Unfortunately, due to Covid restrictions construction has been slowed with prospective first completions being projected some three months later than originally planned, now projected to be February 2022. A revenue grant from the Community Housing Fund through Homes England covered much of the pre-development work costs incurred by the Trust although because the fund was for expenses to be incurred and paid by the year end, a small repayment of monies drawn down against the grant will have to be made in the following year.

In addition to growth and expansion objectives the 2020-2022 objectives include the intent to increase local profile of the Trust and although no action took place on these goals in the year, plans were made in outline and agreed to be carried out in the following year. Nevertheless, a major boost to our local involvement plan was the receipt of a donation of £250,000 in FY 2019/20 in memory of a local business couple, Dick and Joyce Warwick, which has made a considerable difference to our ability to contribute significant funds towards new projects and rely less on commercial lending. The Board wishes to thank Dick and Joyce's family for their generosity in supporting of housing for local people, to whom they had a lifelong commitment.

WCLT will continue to monitor and review its achievements to ensure it continues to meet its aims.

3. FINANCIAL REVIEW

The financial statements have been prepared in accordance with the Housing SORP 2018.

Under this SORP the capital grant from Homes England used for the purchase of homes in Houghton Gardens, is classified as deferred income in the Balance Sheet with a proportion being taken each year to the Income and Expenditure account.

Also, under this SORP, the Income and Expenditure account is titled the Statement of Comprehensive Income and the Balance Sheet is called the Statement of Financial Position. In addition, we have included a Statement of Cash Flows.

The principal financial management policies in force are WCLT's Financial Controls Policy, Monitoring and Review Policy and WCLT's Reserves Policy.

3.1 Financial position at the end of the period

We are reporting a surplus for the year of £7,780 (2019/20 surplus of £263,725).

The Trust's operating performance in this financial year has been consistent with prior years. The cash position at the end of the year was very strong as a result of grant income unspent during the year and the cash donation made in the previous year that is still held in our accounts. The surplus was planned to be lower through the payment of a deposit (£205,000) on the purchase of 10 homes in Wykeham Vale, Wickham before year end but, as described in 2.3 above, negotiations on the purchase were delayed beyond the fiscal year. The sums are carried forward in anticipation of the transaction being completed successfully during FY 2021/22. The deposit amount is half of the total grant agreed with the Council towards this project, the remainder due on practical completion of the units. In the event that negotiations to purchase the homes fail, this grant will be returned in full to the Council, so it is ring-fenced within our accounts. To ensure that the funds remain available for return, if necessary, the deposit will not be paid until there is absolute assurance that the CLT can purchase the homes within the rent terms ("affordable rent") as dictated by the s106 and Homes England procedures.

Cash has further remained high due to a generous donation of £250,000 from the executors of a local businessman received in 2019/20 and retained in our account that will also be directed in large part to the purchase of homes in Wykeham Vale.

Revenue grant was also drawn down from Homes England to part finance the upfront legal and other fees of the Wykeham Vale project and one other project under discussion. The grants were allocated from the Community Housing Fund that closed on March 31st, 2021. Any funds drawn down but unspent at that cut-off date are to be returned to Homes England and a little over £8,000 is to be returned in FY2021/22 and is accounted for in the Financial Statements which follow.

To finalise the purchase of the Wykeham Vale properties (expected to be completed in two equal tranches in 2021/22 and 2022/23) The Trust has agreed a grant from South Downs National Park that will be payable on practical completion of the properties and entered into a commercial loan facility arrangement, with Triodos Bank.

3.2 Reserves

WCLT's Reserves Policy states the Trust's intention to hold reserves to the equivalent of at least 6 months of normal operating costs in order to:

- ensure continuity in meeting the needs of beneficiaries and the Charity's financial obligations
- ensure the Charity can bridge cash flow problems in periods of changeover when beneficiaries leave or move into properties or rental income drops at such times
- maintain and develop its charitable activities.

In line with Charity Commission guidance this policy was reviewed in July 2021 and will be reviewed annually.

As at 31 March 2021 the Trust held reserves of £346,503 (2019/20: £338,723). The reserves held at the end of the Financial Year are the equivalent of 72 months' operating expenditure.

3.3 Principal Funding Sources

3.3.1 In recognition of grant received in July 2017 from Winchester City Council's Community Housing Fund WCLT has continued to contribute to the local authority's community-led housing initiative. This consists of Steering Committee membership of Hampshire Homes Hub, speaking commitments, making available WCLT's Case Study and model documents and advising other community housing projects.

3.3.2 Lenders in the period were as follows:

- Charity Bank
- Winchester City Council
- Hyde Group

3.3.6 Donations:

- Estate of Richard Warwick £250,000

3.4 Rental Income

3.4.1 Rental Income from the four rental properties has provided a steady income throughout the financial year. There were no void periods.

3.4.2 Rental Income from shared ownership homes also provided a steady income.

3.5 Expenditure

3.5.1 WCLT has continued to be cautious with its expenditure and at the end of the period finances remained healthy. Our budgeting reflects increased maintenance costs. Otherwise, expenditure in this financial year has been predominantly on administration, legal and financing fees and insurance and the Trust continues to track closely to its original financial model.

3.5.2 Legal costs regarding the Wykeham Vale project were incurred and represented the most significant single operating cost to the Trust. These costs will continue into the following year but will have to be met from reserves as a result of the closure of the Community Housing Fund. Impact will be seen in the next financial year.

3.5.5 All payments are governed by WCLT's Financial Controls Policy and any repayment of expenses to directors is made according to the regulations laid down in that policy.

3.6 Risks

- 3.6.1 The Trust, by the very nature of its business model, is dependent on rental revenues and on external finance, and will thus always remain exposed to potential increases in interest rates. Risk Appraisals constantly review the situation, but projections currently are that rates will remain low for some time. New lending arrangements made with Triodos Bank during the year (for consummation in FY2021/22) are at 3.0% above BofE rate. Modelling conducted during the year on new projects demonstrated that the Trust is capable of maintaining its goals at higher rates but clearly as the Trust is providing affordable housing sudden and significant rises in interest rates would be unwelcome.
- 3.6.2 Succession planning features in the Trust's regular risk appraisal.
- 3.6.3 Plans for future involvement in other sites (see 3.10 below) also feature within our regular assessment of risk.
- 3.6.4 The impact of the Corona virus pandemic on our tenants has been closely monitored and support offered to them should the need arise. The Trust is pleased to report that no issues arose during the year or in the months following its close.
- 3.6.5 The voluntary affordable homes sector is dependent on support from the government. The Trust has benefitted from the availability of the Community Housing Fund (CHF). The Trust has participated during the year in efforts to persuade the government to expand provision of grants for which it might be eligible – but success looks unlikely.

3.7 Investment

As part of the original loan terms with Charity Bank, WCLT has £8,426 (2019/20: £8,407) in a Charity Bank Deposit Account. Although Charity Bank has been sufficiently satisfied with the soundness of WCLT's performance to lift this condition WCLT chooses to retain this deposit.

3.8 Fundraising activities

WCLT has not undertaken any active fundraising in the course of this financial year.

3.9 Events subsequent to this report period

- 3.9.1 The two rent reviews conducted in the year, one for the rental properties and one for the shared ownership homes, were conducted in the last quarter of this report period, with implementation following in the subsequent reporting period.

3.10 Plans for the forthcoming year

In addition to the ongoing management of WCLT's existing properties, the Trust's activities in 2021/2022 will be heavily influenced by progress on projects to expand its portfolio of affordable homes.

- 3.10.1 Completion of arrangements to purchase 10 homes in the Wykeham Vale project. The opportunity for the Trust to be involved has been well supported by the local authority, the developer and the RSL purchasing the majority of affordable units together with Triodos Bank so that at year end the final steps in negotiations were under way and fulfilment of these is expected in the months immediately following the year end.

3.10.2 Discussions with both Winchester City Council and Homes England to develop options for WCLT's acquisition of 20 further homes on a Homes England site at Knowle, near Wickham, have stalled and will be picked up again if and when the authorities have a clear strategy for moving ahead.

3.10.3 WCLT has developed excellent working arrangements with developers/housing associations bidding for involvement in the above sites.

3.10.4 At each step of the way, WCLT carefully appraise any financial and viability risks involved in these new openings

3.10.5 WCLT has addressed issues of scaling up to deal with these potential developments and recruiting extra trustees to cover increased workload and/or to employ a member of staff to assist with the increased administrative work.

4. STRUCTURE, GOVERNANCE AND MANAGEMENT

4.1 Governing Document

Wickham Community Land Trust (WCLT) is registered in England and Wales as a Company Limited by Guarantee with charitable aims, with the governing documents being Memorandum and Articles of Association. It was registered as such on 2nd June 2008

4.2 Legal Definition of a Community Land Trust under the Housing & Regeneration Act 2008

WCLT meets the legal definition of a community land trust as defined by the Act.

4.3 Members and Membership

Subscribers to the Memorandum and Articles of Association were the first members of the Charity. Membership is open to other individuals or organisations who apply to the Charity in the form required by the Directors and who are approved by the Directors. The Board hopes to recruit new members in this way as part of its succession planning.

There is one class of membership.

Persons with Significant Control: WCLT keeps a register in which to record such but at present the position is Nil.

In accordance with our Conflicts of Interest Policy all directors are required to complete annually a Register of Interests.

There have been no changes to the composition of the Trust Board during the year.

Any local authority appointments should be maintained at less than 20% of the total board. There are currently no LA appointments represented on the Board.

4.4 Director Induction, Training and development

Directors are provided with a Trustee Role Description and asked to sign a Trustee Code of Conduct and to complete a Declaration in respect of Individual Voluntary Arrangements, bankruptcy and unspent convictions. All directors have a copy of the Charity Commission publication 'The Essential Trustee: what you need to know'. Updates in the Charity Commission's Newsletters are disseminated to Directors during the year.

Suitable opportunities for development through attending courses, conferences or seminars are identified and supported at Board level.

4.5 Organisational and Structural Matters

4.5.1 Day to Day Management

The day-to-day management of WCLT is undertaken either by an executive committee or by the Housing Sub-Committee. The executive committee consists of the Chairman, Nicol Holladay, the Company Secretary, Anthony Raymer, and the Vice Chairman, Geoffrey Phillpotts, with involvement of the Financial Director where relevant. The Housing Sub-Committee is made up severally of Geoffrey Phillpotts, David Thompson, Christopher Cook, Jane Isaac and Wendy Greenish to deal with individual housing matters and the allocation of properties and they are called upon on a more ad hoc basis depending on the skills required and their time available. Other directors according to their skills and roles are called on as per actions agreed at meetings. Directors are regularly updated on current issues at the board meetings and all major and policy decisions are taken by the board.

4.5.2 **Code of Practice** WCLT has its own Code of Practice and Financial Viability, based on that of the Housing Regulator's Standard, which the Board deems appropriate to the organisation's size and role as a non-profit registered provider.

4.5.3 **Code of Governance** has its own Code of Governance based on that of the Charity Commission. Both this and the Code above set out the fundamental values which underpin WCLT's operation and against which the Board can assess the effectiveness of its governance arrangements and operation.

4.5.4 WCLT's **master tenancy documents** are in line with current legislation.

4.5.5 **Asset Register** WCLT manages its resources prudently to ensure its viability and actively assesses and manages risk. Whilst our properties have not been revalued in the accounts (see accounting policy h) a valuation carried out in April 2018 at the behest of Charity Bank showed that all the properties have a market value well in excess of cost and these market values have been noted in the asset register.

4.5.6 **Data Protection:** in line with current legislation on GDPR WCLT has audited the data it handles. It has published its Privacy Policy and the Board receives a Data Protection report at each meeting.

4.5.7 **Risk Management** Consideration of WCLT's Risk Appraisal is led by Trustee David Thompson and embedded as a regular item in Board Meetings and the Board is satisfied that WCLT's consideration of risk is sufficiently informed to encompass consideration of both internal and external matters and that WCLT has complied with regulatory requirements to date and will continue to do so in the foreseeable future.

4.5.8 **Insurance:** WCLT's cover provides for Directors' and Officers' Liability Insurance, Public and Products Liability Insurance, Property Owners' Liability Insurance and Buildings Insurance. WCLT holds NHBC certification for all its eight properties.

4.5.9 Legal

- i) New tenants are initially offered our Starter Only Assured Shorthold Tenancy, and progress to a five-year Fixed Term Assured Shorthold Tenancy after a satisfactory probationary period.
- ii) Shared Ownership Agreements are based on the Homes England Model Lease for Protected Areas, with stair-casing restricted to 80%.
- iii) Our tenancy agreements are reviewed and endorsed by our legal advisers.

4.6 Relationships with related parties

4.6.1 **Charity Commission:** WCLT is a registered charity (registration 12th March 2010). WCLT submits an Annual Return to the Charity Commission and is in receipt of its informative Quarterly Newsletters.

4.6.2 Department of Work and Pensions

Communication has been set up between WCLT and DWP in readiness for such time as any of our residents move onto Universal Credit. Liaison between WCLT and DWP will be ongoing as members of WCLT are invited to seminars on the subject of the roll out of Universal Credit. WCLT email accounts meet the security requirements of the DWP.

4.6.3 **Homes England and Regulator of Social Housing:** WCLT is registered as a non-profit private registered provider of social housing with the regulating body. WCLT in terms of regulation counts as a small provider. As a Registered Provider WCLT reports to and receives advice from the regulator and submits its Statistical Data Return under NRosh+.

4.6.4 WCLT, through its own policy documents and processes, both seeks to meet the regulator's Economic Standards and to reflect its Consumer Standards. These underpin WCLT's operations and throughout this financial period WCLT has sought to maintain and review its performance against these operating standards.

4.6.5 **Hyde Housing Association:** With WCLT owning its current portfolio of properties on a shared site with Hyde Housing Association communication between us is important.

- i) The working relationship between WCLT and Hyde's local housing management team is in essence co-operative and effective.
- ii) Communication with Hyde Group's centralised departments can be more difficult. WCLT strives to keep the channels of communication open and effective but success in communication with Hyde Housing's Service Charge and Income Departments can be patchy in respect of Estate Charges (see section 6 below: Funds held as custodian trustees)

4.6.6 Winchester City Council (WCC)

WCLT's relationship with Winchester City Council has strengthened further in the year through its contributions to the local authority's community led housing initiatives. WCLT continues to report to Winchester City Council and provide it with allocation data on its homes so that together with the zone agent, Radian Group (see Radian Group below), an up-to-date picture of housing need in the area can be maintained. To comply with s106 arrangements covering Wykeham Vale, WCLT has submitted a revised Allocations Policy to WCC in order to allow it to provide affordable homes on that site. The revised policy has been agreed and came into force during the year.

4.6.7 **Radian Group:** WCLT is party to a service level agreement with the Local HomeBuy Agent, Radian, for housing in Winchester City's district. As part of this, their online property website for the area, originally HomesinHants and now "HelptoBuySouth", advertises WCLT's affordable homes, puts potential applicants in touch with WCLT and notifies WCLT of the waiting list for homes in the area. In turn WCLT provides Radian with WCLT's allocation data.

- 4.6.8 **National CLT Network (NCLT)** WCLT is a member and both benefits from this membership and actively supports the NCLT in its work.
- 4.6.9 **Information Commissioner and the Housing Ombudsman:** WCLT is registered with the former in respect of Data Protection and, as a provider of social housing, is registered with the Housing Ombudsman Service.
- 4.6.10 **Wickham Parish Council:** WCLT maintains its links with Wickham Parish Council with communications with the Clerk to the Parish Council and individual councillors and exhibited at the Parish Assembly in May 2019.
- 4.6.11 **Hampshire Home Choice:** in order that the Trust can offer homes on Wykeham Vale to qualifying tenants, its allocations and nominations policy has been revised to satisfy the requirements of the s106 agreement governing the provision of affordable homes on the site. *Inter alia*, this required the Trust to sign up to advertise affordable vacancies to local people through Hampshire Home Choice.

5. REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Charity Name:	Wickham Community Land Trust
Charity Registration Number:	1134897
Homes England Registered Provider:	4692
Company Registration Number:	06608621
Registered Office and operational address:	The Old Post Office, Station Road Wickham, Hampshire, PO17 5JA.
Correspondence address:	P.O. Box 739, Fareham, Hants, PO14 9RH.

Board of Directors:

Mr. N. A. Holladay	Chairman
Mr. G.S. Phillpotts	Vice Chairman
The Reverend A. J. Smith	Finance Director
Mr. A. Raymer	Director and Company Secretary
Mr. C. Cook	
Mr. E. Fitzgerald	
Mr. D.R. Thompson	
The Reverend Jane Isaac	Nominee of Benefice of St. Nicholas, Wickham and St. John the Baptist, Shedfield.
Mrs Wendy Greenish	

Bankers: NatWest, 52 West Street, Fareham, Hants. PO16 0JX

Legal Advisers: Anthony Collins Solicitors LLP, 134 Edmund Street, Birmingham, B3 2ES

Auditors: Rothmans Audit LLP, Statutory Auditors and Chartered Accountants, Avebury House, St Peter Street, Winchester, Hampshire, SO23 8BN.

Chartered Surveyors: Chandler Hawkins (Portsmouth)

Hon. Adviser: Mr. A. R. Robinson, Diocesan Secretary, Diocese of Winchester

Managing Agent: Byrne Runciman, Estate Agents, The Square, Wickham, Hampshire, PO17 5JT

6. FUNDS HELD AS CUSTODIAN TRUSTEES

6.1 WCLT levies certain monthly charges from their tenants:

- i) General Service charges for Maintenance and Sinking Fund together with an administrative and accounting costs fee
- ii) Estate Service Charge for grounds maintenance undertaken by Hyde Housing and payable to them on invoice. There is a collection fee associated with this.

6.2 As custodian of funds held on behalf of others WCLT has two Client Accounts into which to deposit sums related to i) and ii) above:

- i) Sums related to the General Service Charges and Estate Service Charges are paid into a current account.
- ii) Contributions collected for the Sinking Fund are placed in an interest-earning Business Reserve Account.

6.3 General Service Charge. WCLT, in its review of rents and service charges in February 2020 decided again to increase the levy rate for Sinking Fund to allow for inflation at 1.7%. This increase of the General Service Charge came into effect from May 2020.

6.4 Estate Service Charge:

- 6.4.1 WCLT continues to have a less than straightforward working relationship with Hyde on the matter of these charges and arrangements, though eventually being resolved, have remained complicated by the difficulty of reaching appropriate staff
- 6.4.2 As in previous years, arrangements with Hyde Housing in respect of Estate Service Charges have not run smoothly despite constant efforts. Nevertheless, the Trust makes adequate provisions to meet the charges which eventually are communicated to us and after various corrections that need to be made, annual costs are agreed and paid. We regard that, after several years' experience, budgets are predictable, provisions are adequate, and expenditure is under financial control.

7. CONCLUSION

WCLT has enjoyed a period of consolidation with the Trust able to concentrate on managing its properties as well as possible for the individual residents and with regard to the long-term aims of the Trust.

From this sound base, WCLT has been able to engage actively and constructively in development of the Wykeham Vale site that commenced on site in January 2020. WCLT's involvement could be crucial to this community in that only WCLT has allocation criteria which allow it to accommodate local people in perpetuity. The addition of the 10 homes on the site to the Trust's portfolio is a major step forward in the growth of the service to local people in need that remains at the heart of the Trust's objectives.

WCLT is very grateful for the support of local people and those organisations with which we have worked over the last few years. We particularly appreciate the good and sometimes special working relationships with these supportive organisations.

Sincere thanks are also due to the directors who have given their time and expertise generously and voluntarily to push WCLT's goals forward. WCLT is grateful to those directors who are keen to continue into next financial year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Housing SORP;
- make judgments and 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 charitable company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. 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 directors are aware:

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board,



Anthony Raymer

Director and Company Secretary

Independent Auditor's Report to the Members of Wickham Community Land Trust

Opinion

We have audited the financial statements of Wickham Community Land Trust (the 'Trust') for the year ended 31 March 2021 which comprise the Statement of Consolidated Income, the Statement of Financial Position, the Cash Flow Statement, the Statement of Changes in Reserves and notes to the financial statements, including 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 Trust's affairs as at 31 March 2021, and of 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, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

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 association 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 board's 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 association'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 board with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report¹, other than the financial statements and our auditor's report 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.

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.

Opinion on other matter 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Independent Auditor's Report to the Members of Wickham Community Land Trust (continued...)

Director's responsibilities

As explained more fully in the director's responsibilities statement set out on page 15, the directors (who are also the trustees 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 directors determine are 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 directors are responsible for assessing the Trust'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 directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The objectives of our audit, in respect to fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures include the following:

The extent to which the audit was considered capable of detecting irregularities including fraud

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 obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and those laws and regulations that had a direct effect on the financial statements.
- 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 Trust, including FRS102, the Companies Act 2006,

the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence and the 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 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
- 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
- enquiring of management as to actual and potential litigation and claims
- reviewing correspondence with relevant regulators, including Homes England and the Regulator of Social Housing and the company's legal advisors; and
- reviewed legal and professional expenditure incurred in the year.

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 auditor's report.

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2021

Company Reg. No: 06608621

Charity Number: 1134897

Use of our Report

This report is made solely to Wickham Community Land Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Trust'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 association and the Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



30 September 2021

Susan Sullivan FCA (Senior Statutory Auditor)

For and on behalf of

Rothmans Audit LLP

Chartered Accountants and Statutory Auditors

Avebury House

6 St Peter Street

Winchester

Hampshire

SO23 8BN

Statement of Comprehensive Income

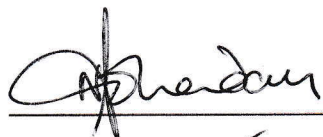
For the year ended 31 March 2021

		2021	2020
	Note	£	£
Turnover	2	72,925	49,723
Operating expenditure	2	(57,457)	(36,658)
Operating Surplus		15,468	13,065
Interest receivable and other income	3	75	264,428
Interest payable and financing costs		(7,763)	(13,768)
(Deficit)/Surplus on ordinary activities before taxation	4	7,780	263,725
Taxation	5	-	-
(Deficit)/Surplus for the year and total comprehensive income	14	7,780	263,725

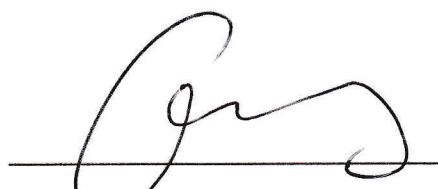
The results relate wholly to continuing activities.

The accompanying notes form part of these financial statements.

The financial statements were approved and authorised for issue by the Directors on September 29th, 2021 and signed on their behalf by



Nicol Holladay
Chairman & Director



Geoffrey Phillpotts
Director

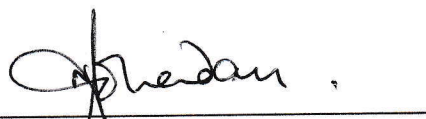
Statement of Financial Position

As at 31 March 2021

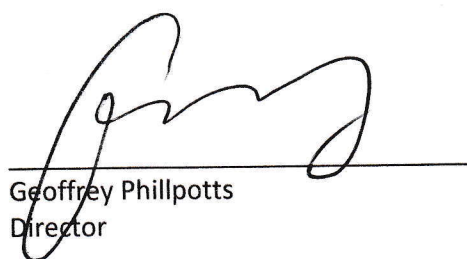
	Note	31 March 2021	31 March 2020
		£	£
Fixed assets			
Tangible fixed assets	7	698,555	710,857
Current assets			
Prepaid expenses	8	3,748	3,741
Cash at bank and in hand		523,128	510,545
		526,876	514,286
Creditors – Amounts falling due within one year	9	(21,248)	(19,465)
Net current assets		505,628	494,821
Total assets less current liabilities		1,204,183	1,205,678
Creditors – Amounts falling due after more than one year	10	(847,707)	(858,077)
Provisions for liabilities	13	(9,973)	(8,878)
Total Net assets		346,503	338,723
Reserves			
Income and expenditure reserve	14	346,503	338,723
Total Reserves		346,503	338,723

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Directors on September 29th, 2021 and are signed on their behalf by



Nicol Holladay
Chairman & Director



Geoffrey Phillpotts
Director

The notes on pages 25 to 34 form part of these accounts

Statement of Cash Flows

For the year ended 31 March 2021

	Note	2021 £	2020 £
Net cash generated from operating activities	15	(1,774)	16,747
Cash Flow from Investing Activities			
Interest received		25	74
Cash Flow from Financing Activities			
Grants and donations received		22,095	467,530
Interest paid and other finance costs		(7,763)	(13,768)
Net change in cash and cash equivalents		12,583	470,583
Cash and cash equivalents at the start of the year		510,545	39,962
Cash and cash equivalents at the end of the year		523,128	510,545

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2021

Company Reg. No: 06608621

Charity Number: 1134897

Statement of Changes in Reserves

	Income and expenditure reserve £	Total £
At 1 April 2019	74,998	74,998
Surplus for the year	263,725	263,725
Total comprehensive income	263,725	263,725
At 31 March 2020 and 1 April 2020	338,723	338,723
Surplus for the year	7,780	7,780
Total comprehensive income	7,780	7,780
At 31 March 2021	346,503	346,503

Notes to the Financial Statements

1. Accounting policies

a) *Legal status*

Wickham Community Land Trust is registered under the Companies Act 2006 as a company limited by guarantee incorporated in England and Wales. It is registered with both the Charity Commission and Homes England as a Registered Provider and is a public benefit entity. Its registered office is The Old Post Office, Station Road, Wickham, Hampshire, PO17 5JR

b) *Basis of preparation*

The financial statements have been prepared

- under the historic cost convention
- on the going concern basis
- in accordance with the Statement of Recommended Practice for social housing providers known as the Housing SORP 2018
- in accordance with the Accounting Direction for private registered providers of social housing in England 2019
- in accordance with the Charities Act 2011
- in accordance with applicable UK Generally Accepted Accounting Principles (UK GAAP) accounting standards, including Financial Reporting Standard 102 (FRS 102)
- in accordance with the Companies Acts 2006.

The financial statements are presented in sterling which is the functional currency of the Trust and are rounded to the nearest pound.

As the Company is a charity, the wording of the statutory formats required by the Companies Act 2006 has been appropriately amended in order to give a true and fair view.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

c) *Significant Judgements*

In applying the various accounting policies relevant to social landlords, the trustees have determined to categorise the houses owned by the trust as fixed assets rather than investment properties. As such they are shown at cost rather than market value. As house prices have risen since the houses were acquired by the trust this means that they are shown in the accounts below market value.

d) *Key Assumptions and sources of estimation uncertainty*

The trustees consider that there are no significant areas of uncertainty in the assumptions they have made that would be likely to cause a material change to the carrying value of any assets or liabilities over the next year.

1. Accounting policies *(continued)*

e) *Funds structure*

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

f) *Turnover*

Turnover comprises rental income receivable in the year, service charges receivable in the year and income from shared ownership first tranche sales. Income from first tranche sales is recognised at the point of legal completion of the sale.

g) *Expenditure*

Expenditure is recognised on an accruals basis.

h) *Fixed assets*

Housing Properties

The company holds four properties available for rent and four properties available for shared ownership.

Fixed assets are stated at cost less accumulated depreciation.

Depreciation

Freehold land is not depreciated.

The company separately identifies the major components which comprise its housing properties and charges depreciation so as to write down the cost of each component to its estimated residual value, on a straight-line basis, over its estimated useful economic life.

The company depreciates the major components of its housing properties over the following timescales

Structure	100 years
Roof	60 years
Kitchen	20 years
Bathroom	30 years
Boiler	15 years
Heating System	30 years
Windows & Doors	20 years
Electrics	30 years

1. Accounting policies *(continued)*

Impairment

Impairment reviews are carried out as and when evidence comes to light that the recoverable amount of a functional fixed asset is below its net book value due to damage, obsolescence or other relevant factors.

i) Shared ownership properties

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to first tranche sales. The first tranche proportion is classed as a current asset and related sale proceeds included in turnover and the remaining element is classed as fixed assets and included in housing properties at cost, less any provisions needed for depreciation or impairment.

j) Social Housing Grant

Social housing grant (SHG) is receivable from Homes England. Under SORP 2018 the company has adopted the accruals model for the recognition of government grant and is required to account for such grants as deferred income and to take a portion of the grant to income each year. Grants relating to housing properties are recognised in income on a systematic basis over the useful economic life of the housing property structure.

k) Debtors and Creditors due within one Year

Debtors and creditors receivable or payable within one year, and with no stated interest rate, are initially recorded at transaction price and are subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

l) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

The Trust is in receipt of two loans with interest rates below the prevailing market rate of interest. These loans are not repayable on demand and are for the purposes of furthering the objectives of the public benefit entity or public benefit entity parent and are therefore accounted for as concessionary loans. These loans are initially measured at the amount received and in subsequent years the carrying amount of these loans is adjusted to reflect any accrued interest payable.

m) Provisions for Liabilities

Provisions are recognised when the Trust has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

2. Income and Expenditure from Social Lettings

	2021	2020
	£	£
Turnover		
Intermediate rental income	31,408	30,586
Shared Ownership rental income	13,987	13,581
Homes England grant taken as income	3,700	3,700
Homes England revenue grant	22,045	-
Charges for support services	1,785	1,856
	<u>72,925</u>	<u>49,723</u>
Expenditure		
Maintenance costs	(6,666)	(5,422)
Insurance	(4,186)	(4,093)
Void costs	-	(348)
Property Management Costs	(2,638)	(2,569)
Other costs	(43,967)	(24,226)
	<u>(57,547)</u>	<u>(36,658)</u>

Rental income is stated net of identifiable service charges.

3. Interest receivable and other income

	2021	2020
	£	£
Interest receivable	25	74
Insurance claims	-	1,824
Donations & grants received	<u>50</u>	<u>262,530</u>
	<u>75</u>	<u>264,428</u>

4. Surplus on ordinary activities

This is stated after charging:

	2021	2020
	£	£
Auditor's remuneration – for audit services	3,924	3,708
Auditor's remuneration – non-audit services	564	-
Depreciation	<u>12,302</u>	<u>12,302</u>

5. Taxation

As a charity, WCLT is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

6. Key management personnel remuneration and employees

Key management personnel neither received nor waived any remuneration during the year. (2020: £nil). The charity had no employees in the current or previous year.

7. Tangible fixed assets

	Freehold Land and Buildings - Intermediate Rent	Freehold Land and Buildings - Shared Ownership	Total
	£	£	£
Cost			
At beginning of year	495,007	310,166	805,173
Additions	-	-	-
	<u>495,007</u>	<u>310,166</u>	<u>805,173</u>
At end of year	495,007	310,166	805,173
	<u>495,007</u>	<u>310,166</u>	<u>805,173</u>
Depreciation			
At beginning of year	(59,157)	(35,159)	(94,316)
Charge for year	(7,716)	(4,586)	(12,302)
	<u>(66,873)</u>	<u>(39,745)</u>	<u>(106,618)</u>
At end of year	(66,873)	(39,745)	(106,618)
	<u>(66,873)</u>	<u>(39,745)</u>	<u>(106,618)</u>
Net book value			
At 31st March 2021	428,134	270,421	698,555
	<u>428,134</u>	<u>270,421</u>	<u>698,555</u>
At 31 st March 2020	435,850	275,007	710,857
	<u>435,850</u>	<u>275,007</u>	<u>710,857</u>

The above assets, with a net book value of £698,555 are pledged as security against the Trust's loans.

8. Prepaid expenses

	2021	2020
	£	£
Insurance costs	3,660	3,656
Other	88	85
	<u>3,748</u>	<u>3,741</u>
	<u><u>3,748</u></u>	<u><u>3,741</u></u>

9. Creditors – Amounts falling due within one year

	2021	2020
	£	£
Bank Loans (note 12)	6,604	6,361
Other creditors	7,128	5,364
Accrued expenses	3,816	4,040
Deferred income from Homes England grant	3,700	3,700
	<u>21,248</u>	<u>19,465</u>
	<u><u>21,248</u></u>	<u><u>19,465</u></u>

10. Creditors – Amounts falling due after more than one year

	2021	2020
	£	£
Bank loans (note 12)	224,171	231,329
Loans from other institutions (note 12)	84,302	83,815
Deferred income from Homes England grant	539,234	542,933
	<u>847,707</u>	<u>858,077</u>
	<u><u>847,707</u></u>	<u><u>858,077</u></u>

The loans from other institutions are concessionary loans with interest rates below the prevailing market rate.

11. Deferred Grant Income

	2021	2020
	£	£
At 1 April	546,633	345,333
Received in the year	-	205,000
Released to income in year	<u>(3,700)</u>	<u>(3,700)</u>
 At 31 March	 <u>542,933</u>	 <u>546,633</u>
 Amounts to be released within 1 year	 3,700	 3,700
Amounts to be released in more than 1 yr	<u>539,233</u>	<u>542,933</u>
	 <u>542,933</u>	 <u>546,633</u>

12. Bank loans and loans from other institutions

	2021	2020
	£	£
Due within one year and on demand	6,604	6,361
Due after one year but less than two years	6,687	6,604
Due after two years but less than five years	21,630	21,362
Due after more than five years	<u>280,156</u>	<u>287,178</u>
	 315,077	 321,505
	 =====	 =====

The aggregate amount of debt secured upon the intermediate rental properties and the share of shared ownership properties retained by the trust is £315,077

The loans bear interest in the range of 0% to 3.75% The instalment loan is repayable over 25 years and as at 31 March 2021 £280,156 of instalments were due after more than 5 years.

13. Provisions for liabilities and charges

	2021	2020
	£	£
Provision for future overhaul	9,973	8,878
	 =====	 =====

Provisions for liabilities and charges comprise of amounts set aside for the future overhaul of the properties.

14. Reserves

	Unrestricted general reserves	Total reserves
	£	£
Balance as at 1 April 2020	338,723	338,723
Surplus /(deficit) for year	7,780	7,780
At 31 March 2021	<u>346,503</u>	<u>346,503</u>

15. Statement of Cash Flows from Operating Activities

	2021	2020
	£	£
Surplus for the year	7,780	263,725
Adjustment for non-cash items		
Depreciation	12,302	12,302
Increase in deferred income	-	205,000
Amortisation of government grant	(3,700)	(3,700)
(Increase) in prepayments	(7)	110
(Decrease)/increase in creditors	1,540	(2,326)
(Decrease) in loans	(6,427)	(5,623)
Increase in provisions	1,095	1,095
Adjustment for investing and financing activity		
Interest payable and other finance costs	7,763	13,768
Grants received	(22,095)	(467,530)
Interest received	(25)	(74)
Net cash generated from Operating activities	<u>(1,774)</u>	<u>16,747</u>

15a Analysis of changes in net debt

	2020	Cash Flows	Other changes	2021
	£	£	£	£
Long term borrowings	321,505	(6,428)	-	315,077
Total liabilities	<u>321,505</u>	<u>(6,428)</u>	-	<u>315,077</u>
Cash and cash equivalents	(510,545)	(12,583)	-	(523,128)
Total net debt	<u>(189,040)</u>	<u>(19,011)</u>	-	<u>(208,051)</u>

16. Accommodation in management

At the end of the year, accommodation in management for each type of property was as follows:

	2021	2020
Shared ownership	4	4
Intermediate rent	4	4
	8	8
	8	8

17. Company limited by guarantee

Wickham Community Land Trust is a company limited by guarantee and has no share capital. As at 31st March 2021 there were 9 (nine) members. Every member promises, if the Company is wound-up, to contribute such sum (not exceeding £10) as may be demanded of him or her towards any deficit.

18. Director Information

No remuneration was paid to the Directors during the year (2020: £nil).

19. Capital commitments

At 31st March 2021 there were no capital commitments (2020: none).

20. Related parties

During the year, no expenses were reimbursed to trustees (2020: £357 to 2 trustees). No expenses were reimbursed to a company in which a trustee has an interest.

21. Ultimate controlling party

Wickham Community Land Trust is ultimately controlled by the board of Trustees.

22. Financial instruments

The carrying amounts of the Trust's financial instruments are as follows:

	2021 £	2020 £
Financial assets measured at amortised cost:		
- Cash at bank and in hand	523,128	510,545
	523,128	510,545
	523,128	510,545

Financial liabilities measured at amortised cost

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees' Report & Financial Statements for the year ended 31 March 2021

Company Reg. No: 06608621

Charity Number: 1134897

- Other creditors (note 9)	7,128	5,364
- Bank and other Loans (note 12)	315,077	321,504
	<u>322,205</u>	<u>326,868</u>

The total interest income for financial assets that are measured at amortised cost was £25 (2020: £74).
The total interest and finance expense for financial liabilities that are measured at amortised cost was £7,763 (2020: £13,768)