

# WATLINGTON HOUSE TRUST

England & Wales · Charity number 1158378

## Details

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**Status** Registered

**Legal form** CIO

**Registered** 2014-08-28

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

## Contact

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**Address** 69 Baker Street  
Reading  
RG1 7XY

**Phone** 01189598350

**Email** [honsec.wathouse@outlook.com](mailto:honsec.wathouse@outlook.com)

**Website** [www.watlingtonhouse.org.uk](http://www.watlingtonhouse.org.uk)

## Activities

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**Objects:** THE OBJECT OF THE CIO IS:3.1 THE PROVISION AND MAINTENANCE OF WATLINGTON HOUSE FOR THE USE OF THE INHABITANTS OF READING, BERKSHIRE WITHOUT DISTINCTION OF POLITICAL, RELIGIOUS OR OTHER OPINIONS, INCLUDING USE FOR:3.1.1 MEETINGS, LECTURES AND CLASSES, AND3.1.2 OTHER FORMS OF RECREATION AND LEISURE TIME OCCUPATION, WITH THE OBJECT OF IMPROVING THE CONDITIONS OF LIFE FOR THE INHABITANTS.3.2 FOR THE BENEFIT OF THE PUBLIC THE PRESERVATION, RESTORATION, MAINTENANCE AND IMPROVEMENT OF WATLINGTON HOUSE, READING, A GRADE II LISTED BUILDING.

**Activities:** Maintain Watlington House, a Grade 2 \* building and rent rooms in the building to charities operating within 25 miles of Reading, Berkshire. To also rent out a small number of car parking spaces in the restored gardens which are not allocated to tenants at a commercially viable rate, the benefits of which are used to maintain the house.

## Classification

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- **How:** Provides Buildings/facilities/open Space
- **What:** General Charitable Purposes, Environment/conservation/heritage
- **Who:** Other Charities Or Voluntary Bodies

## Geography

- Reading

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£82,716	£60,472	-	-
2023-09-30	£83,163	£62,461	-	-
2022-09-30	£79,114	£113,734	-	-
2021-09-30	£139,312	£91,991	-	-
2020-09-30	£71,401	£70,935	-	-

## Trustees

Name	Role	Appointed
<b>THE REVD CANON BRIAN SHENTON</b>	Chair	2014-01-22
ALAN MATT ANDREWS		2014-04-02
CLIVE WILLIAMS OBE		2014-04-02
Christopher Thomas Weston		2024-09-25
David John Cottam		2022-11-30
GAILA ADAIR		2014-04-02
Mildred May Cookson		2013-07-03
RICHARD BENNETT		2016-09-14

**WATLINGTON HOUSE TRUST**

England & Wales - Charity number 1158378

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# Accounts

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**WATLINGTON HOUSE**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

# WATLINGTON HOUSE

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## WATLINGTON HOUSE

### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 SEPTEMBER 2024

#### Trustees

G Adair (appointed 2 April 2014)  
A M Andrews (appointed 2 April 2014)  
R Bennett, Hon. Secretary (appointed 14 September 2016)  
M Cookson (appointed 3 July 2013)  
D J Cottam, Treasurer (appointed 30 November 2022)  
Canon B Shenton, Chairman (appointed 22 January 2014)  
C Weston (appointed 25 September 2024)  
D C H Williams (appointed 2 April 2014)

#### Charity registered number

1158378

#### Principal office

Watlington House  
44 Watlington Street  
Reading  
Berkshire  
RG1 4RJ

#### Accountants

James Cowper Kreston  
Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

#### Bankers

NatWest Bank Plc  
Level 1  
The Oracle Centre  
Reading  
Berkshire  
RG1 2AH

CAF Bank Ltd  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

#### Solicitors

Field Seymour Parkes  
1 London Street  
Reading  
Berkshire  
RG1 4QW

## **WATLINGTON HOUSE**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024**

The Trustees present their Report with the Financial Statements of the Charity to the year ended 30 September 2024. The Trustees confirm that the Annual Report and Financial Statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

#### **CONSTITUTION**

The Charity is controlled by its governing document, a Constitution registered with the Charity Commission on 28 August 2014, and constitutes a Charitable Incorporated Organisation (CIO).

#### **METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the charity is the responsibility of the Trustees, who are elected and co-opted under the terms of the Constitution registered with the Charity Commission on 28 August 2014.

#### **RISK REVIEW**

The Trustees actively review the major risks which the Charity faces on a regular basis.

The loss of key tenants poses a significant risk for the charity. In 2010, following the loss of several of its tenants, the Charity's income fell and its ability to keep trading as a going concern was open to question. In view of this the charity took a number of steps to increase its income and reduce its operating costs.

The Charity was successful in its endeavours and by 30 September 2019 income from Letting and Hall and other hire had risen to £89,058. By 30 September 2020 this figure had dropped to £71,280, as the full effects of the coronavirus pandemic were felt, resulting in restrictions on Hall hire. The charity was not eligible for any government grants relating to the impact of the pandemic during the period April to September 2020. Nevertheless the Trust still posted a small surplus of £464.

During the financial year 2020-21 the local NHS Primary Care Network established a very successful Covid Centre to serve central Reading. To compensate for loss of income the Trust were paid £36,920 during the year in question. In addition the policy on Covid grant support changed and the Trust received £27,357 in Covid support grants from Reading Borough Council.

In the event only one of the Trust's 5 tenants (the Gurkhas – Total Security Ltd) required rent relief, this represented a loss of £5,460 for the financial year 2012-2022 and a total of £8,190 since the pandemic started. However, despite assistance they were unable to re-start their business and they terminated their agreement with the Trust from 31st March 2022 after 10 years' occupancy.

In November 2021 the Trust completed the refurbishment of the front garden and enclosure of Watlington House. at a gross cost of £56k. The project was supported by a grant of £19k from the Earley Poors Charity, as part of their Bi-centennial celebrations, reducing the net cost to £36k. The Trust has received very positive feedback about the added presence the improvements give to both the House and surrounding conservation area. The works were unveiled by Cllr Stevens (Mayor of Reading), Willie Hartley-Russell MVO DL (High Sheriff of the Royal County) and Trustees of Earley Charity.

## WATLINGTON HOUSE

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

In the main, the Charity generates its own funding and does not rely on grants. It has therefore identified loss of income as its most significant risk. The Charity has established three main sources of income, being office tenancies and licences to occupy (63% of total income), Parking (19%) and Hall lettings (14%). While the three separate streams of income do in themselves provide some risk mitigation, nevertheless tenancies and licences to occupy form most of the charity's income. A key focus for the Trust is therefore to ensure that the offices in the House are let out and vacancy is minimised. In 2024 we agreed with Berkshire Youth that they did not need one of the rooms, which they surrendered to avoid a rent increase, and we have succeeded in re-letting the room to Whitley Arts Community Group at least in the short term. A room surrendered by our architect tenant was also re-let to St. Mungo's in February 2025 for 5 months, a period which St Mungo's are now considering extending. Finally, a meeting room with low usage was agreed to be let to a local Chinese church.

Regarding the two smaller income streams, Parking has grown significantly by using parking apps (e.g. Your Parking Space) alongside direct rentals. Parking charges were increased at the end of the year from £85/month to £100/month, and there is also the opportunity to switch to more direct payers, generating higher profitability for the Charity. Hall rentals are to several repeat clients plus a wide variety of other ad hoc bookings, and there is the potential to expand the use of the Hall to generate further income growth.

During 2023/2024 House rental did reduce from £61.6k in 2022-23 to £51.8k in 2023-24 following the surrender of one of the architect's rooms mentioned above (impact £7.0k), plus the loss of the Camillus income (impact £2.4k). The actions identified above will rectify restore House rental in 2024-25.

Other income grew from £20.6k in 2022-23 to £27.8k in 2024-25 driven by the additional parking app income stream, with Hall income remaining in line with prior year.

Overall expenditure reduced 3% (£2.0k) in 2023-24 compared to 2022-23, and the overall surplus of £22.2k improved by £1.5k on last year's £20.7k result

Watlington House is an old 2\* listed building and therefore the Trustees keep the potential cost of improvements, planned maintenance and unforeseen repairs under regular review. At the end of 2023-24 total cash improved £22.6k to £142.2k, which represents cover for over two years' annual spend.

#### **OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT**

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Watlington House is a Grade 2 starred listed building. When threatened with demolition in 1930, public monies were raised and the building was purchased by the National Council of Social Service (now the National Council for Voluntary Service) in 1931 for £1,705 plus expenses, to be run by the Watlington House Management Committee, which was then registered as a charity in its own right. The value of the building now for insurance purposes is £3.5m and it is insured with the Ecclesiastical Insurance Co Ltd.

The Charity was formed to manage and maintain Watlington House for the general benefit of the local community. The house has a number of rooms and a Hall for letting and hire by individuals or organisations in accordance with the standard hiring agreement and the scale of charges adopted for the year. The income from lettings is used to maintain the property.

On 2 April 2014 the Charity obtained Charity Commission approval to change its constitution. It is now a Charitable Incorporated Organization (CIO). A CIO can acquire land and in July 2016 the Charity acquired the freehold of Watlington House from the National Council for Voluntary Service (NCVO). No consideration was paid.

#### **GOING CONCERN**

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

## WATLINGTON HOUSE

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

#### FINANCES

Total cash stands at £142.2k, the highest in at least six years. Full letting of the house, along with meeting room, parking, and hall rental income, supports a positive outlook. The Trust has cover for more than two years of expenditure, and will continue to maximise its revenue to support the maintenance of the house, and its use by the local community.

The Charity's total funds, excluding investment property, as at September 2024 amounted to £141,404, being £3,641,404 less property of £3,500,000 (£119,160 as at 30 September 2023). The Trust continues with its steady programme of repair and refurbishment, and as with all heritage buildings this never finishes.

- 2016/17 – roof and exterior of main building refurbished
- 2017/18 – Hall refurbished and extended to provide additional office accommodation
- 2018/19 – Boundary wall re-furbished and extra work to the House
- 2019/20 – repairs, maintenance and painting of windows and doors at rear of the House and refurbishment of others, also refurbishment of front garden and curtilage
- 2021/22 – major refurbishment of the rooms vacated by the Gurkhas in March 2022, which have been re-let from September 2022. The Trust completed the refurbishment of the front garden and enclosure of Watlington House in November 2021 at a gross cost of £56k. The project was supported by a grant of £19k from the Earley Pools Charity, as part of their Bi-centennial celebrations, reducing the net cost to £36k. The Trust has received very positive feedback about the added presence the improvements give to both the House and surrounding conservation area.
- 2022/23 – Following our experience supporting the NHS during COVID it was proposed by the local Primary Care Network (PCN) that we erect a building in the rear garden to rent for health purposes. After extensive review it was felt to be inappropriate and too risky. It was therefore not taken forward.
- 2023/24 – In December 2023 a Quinquennial survey was commissioned by the Trustees and conducted by Spires Architects to establish the condition of the building, identify potential repairs and therefore funding that may be required.

The Condition (section 7) of the 32-page report stated:

'7.1 My primary observation is that Watlington House is generally in a good condition which is testament to the ongoing care of the Trustees and maintenance contractors.

7.2 The quinquennial inspection has identified various minor matters of repair and maintenance works, many of which are I understand are already known to the Trustees and are either part of the ongoing repair and maintenance works or planned future work, but which are nevertheless identified in the report for completeness'

The Trustees have continued to work to rectify defects identified in the report, and address issues which are noted by the tenants or the Trustees themselves. During the year the Bothy roof was repaired at a cost of £3.5k, which included the replacement of some 50 clay made tiles on both sides of the roof. During the process it was discovered that the original tiles had been secured in place with nails which had rusted away, thus loosening the tiles. Given the Grade II\* listing it was vital that the new tiles were an extremely close match to those in place.

Other ongoing work included maintenance of fire safety systems, boiler maintenance, refurbishment of entrance ramps to the hall, replacement of lights, replacement of panel heaters, various plumbing fixes etc.

#### TRUSTEE'S RESPONSIBILITIES STATEMENT

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

**WATLINGTON HOUSE**

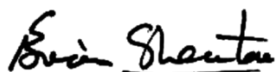
**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP (FRS102);
3. make judgments and accounting estimates that are reasonable and prudent;
4. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....  
Canon B Shenton

Date: 14/07/2025

## WATLINGTON HOUSE

### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

#### Independent Examiner's Report to the Trustees of Watlington House ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 30 September 2024.

#### Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Dated: 17 July 2025

Alexander Peal BSc (Hons) FCA DChA

#### James Cowper Kreston

Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

**WATLINGTON HOUSE**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>				
Charitable activities	2	79,674	79,674	82,181
Investments	3	3,042	3,042	982
<b>Total income</b>		<b>82,716</b>	<b>82,716</b>	83,163
<b>Expenditure on:</b>				
Charitable activities	4	60,472	60,472	62,461
<b>Total expenditure</b>		<b>60,472</b>	<b>60,472</b>	62,461
<b>Net movement in funds</b>		<b>22,244</b>	<b>22,244</b>	20,702
<b>Reconciliation of funds:</b>				
Total funds brought forward		3,619,160	3,619,160	3,598,458
Net movement in funds		22,244	22,244	20,702
<b>Total funds carried forward</b>		<b>3,641,404</b>	<b>3,641,404</b>	3,619,160

The Statement of Financial Activities includes all gains and losses recognised in the year.

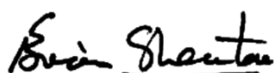
The notes on pages 10 to 18 form part of these financial statements.

**WATLINGTON HOUSE**

**BALANCE SHEET  
AS AT 30 SEPTEMBER 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Investment property	7	3,500,000	3,500,000
<b>Current assets</b>			
Cash at bank and in hand		142,154	119,560
Creditors: amounts falling due within one year	8	(750)	(400)
<b>Net current assets</b>		141,404	119,160
<b>Total assets less current liabilities</b>		3,641,404	3,619,160
<b>Total net assets</b>		3,641,404	3,619,160
<b>Charity funds</b>			
Restricted funds	9	-	-
Unrestricted funds	9	3,641,404	3,619,160
<b>Total funds</b>		3,641,404	3,619,160

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....  
Canon B Shenton

Date: 14/07/2025

The notes on pages 10 to 18 form part of these financial statements.

**WATLINGTON HOUSE**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

	<b>Note</b>	<b>2024 £</b>	<b>2023 £</b>
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	12	<b>22,594</b>	23,702
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>22,594</b>	<b>23,702</b>
Cash and cash equivalents at the beginning of the year		<b>119,560</b>	95,858
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	13	<b>142,154</b>	119,560
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 10 to 18 form part of these financial statements

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Watlington House meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 1.2 Going concern

The Trustees are of the view that the charity has sufficient funds to enable it to continue its activities on a going concern basis for a period of at least 12 months. The trustees believe that financial statements have been prepared appropriately on the going concern basis.

##### 1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

##### 1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

#### 1. Accounting policies (continued)

##### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations including support costs and costs relating to the governance of the charity apportioned to charitable activities.

##### 1.6 Investment property

Freehold property is revalued by the Trustees, on an open market for existing use basis.

##### 1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 1.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

##### 1.9 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**2. Income from charitable activities**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Tenant's rent	51,871	<b>51,871</b>	61,606
Hall and other income	27,803	<b>27,803</b>	20,575
	79,674	<b>79,674</b>	82,181
	82,181	82,181	
Total 2023			

**3. Investment income**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Bank interest income	3,042	<b>3,042</b>	982
	982	982	
Total 2023			

**4. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2024 £</b>	<b>Total 2024 £</b>	<b>Total 2023 £</b>
Direct costs	59,552	<b>59,552</b>	61,161
Governance costs	920	<b>920</b>	1,300
	60,472	<b>60,472</b>	62,461
	62,461	62,461	
Total 2023			

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**5. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2024 £</b>	<b>Support costs 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Direct costs	59,552	-	<b>59,552</b>	61,161
Governance costs	-	920	<b>920</b>	1,300
	<u>59,552</u>	<u>920</u>	<u><b>60,472</b></u>	<u>62,461</u>
Total 2023	<u>61,161</u>	<u>1,300</u>	<u>62,461</u>	

Governance costs of £920 relates to the annual independent examination (2023: £1,300 comprises annual independent examination fee of £900, plus the £400 accountancy charge for additional reconciliation work).

**Analysis of direct costs**

	<b>Activities 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Caretaking	9,220	<b>9,220</b>	12,350
Rates	7,002	<b>7,002</b>	5,651
Insurance	5,848	<b>5,848</b>	6,354
Light and heat	11,952	<b>11,952</b>	10,113
House expenditure	8,093	<b>8,093</b>	12,172
Repairs and maintenance	3,963	<b>3,963</b>	4,414
Garden expenditure	8,625	<b>8,625</b>	6,002
Water	1,135	<b>1,135</b>	813
Cleaning	3,654	<b>3,654</b>	2,470
Sundry	60	<b>60</b>	822
	<u>59,552</u>	<u><b>59,552</b></u>	<u>61,161</u>
Total 2023	<u>61,161</u>	<u>61,161</u>	

**6. Independent examiner's remuneration**

The independent examiner's remuneration amounts to an independent examiner fee of £920 (2023 - £900).

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

#### 7. Investment property

	Freehold investment property £
<b>Valuation</b>	
At 1 October 2023	3,500,000
At 30 September 2024	<u>3,500,000</u>

The freehold investment property was acquired from the National Council for Voluntary Organisations (NCVO) for a peppercorn on 18 July 2016. The freehold property was revalued by the Trustees, on an open market for existing use basis.

#### 8. Creditors: amounts falling due within one year

	2024 £	2023 £
Other creditors	750	-
Accruals and deferred income	-	400
	<u>750</u>	<u>400</u>

Accruals falling due within one year is £Nil (2023: £400) being accountancy fee for additional reconciliation work.

Other creditors due within one year is £750, being deposits received and repaid after the year end (2023: £Nil).

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**9. Statement of funds**

**Statement of funds - current year**

	Balance at 1 October 2023 £	Income £	Expenditure £	Balance at 30 September 2024 £
<b>Unrestricted funds</b>				
Unrestricted funds	<b>3,619,160</b>	<b>82,716</b>	<b>(60,472)</b>	<b>3,641,404</b>
	<u><u>                    </u></u>	<u><u>                    </u></u>	<u><u>                    </u></u>	<u><u>                    </u></u>

**Statement of funds - prior year**

	Balance at 1 October 2022 £	Income £	Expenditure £	Balance at 30 September 2023 £
<b>Unrestricted funds</b>				
Unrestricted funds	<b>3,598,458</b>	<b>83,163</b>	<b>(62,461)</b>	<b>3,619,160</b>
	<u><u>                    </u></u>	<u><u>                    </u></u>	<u><u>                    </u></u>	<u><u>                    </u></u>

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**10. Summary of funds**

**Summary of funds - current year**

	Balance at 1 October 2023 £	Income £	Expenditure £	Balance at 30 September 2024 £
General funds	<u>3,619,160</u>	<u>82,716</u>	<u>(60,472)</u>	<u>3,641,404</u>

**Summary of funds - prior year**

	Balance at 1 October 2022 £	Income £	Expenditure £	Balance at 30 September 2023 £
General funds	<u>3,598,458</u>	<u>83,163</u>	<u>(62,461)</u>	<u>3,619,160</u>

**11. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	Unrestricted funds 2024 £	Total funds 2024 £
Investment property	3,500,000	<b>3,500,000</b>
Current assets	142,154	<b>142,154</b>
Creditors due within one year	(750)	<b>(750)</b>
<b>Total</b>	<u>3,641,404</u>	<u><b>3,641,404</b></u>

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**11. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior period**

	Unrestricted funds 2023 £	Total funds 2023 £
Investment property	3,500,000	3,500,000
Current assets	119,560	119,560
Creditors due within one year	(400)	(400)
<b>Total</b>	<b>3,619,160</b>	<b>3,619,160</b>

**12. Reconciliation of net movement in funds to net cash flow from operating activities**

	2024 £	2023 £
Net income for the period (as per Statement of Financial Activities)	<b>22,244</b>	20,702
<b>Adjustments for:</b>		
Decrease in debtors	-	2,600
Increase in creditors	<b>350</b>	400
<b>Net cash provided by operating activities</b>	<b>22,594</b>	<b>23,702</b>

**13. Analysis of cash and cash equivalents**

	2024 £	2023 £
Cash in hand	<b>142,154</b>	119,560
<b>Total cash and cash equivalents</b>	<b>142,154</b>	<b>119,560</b>

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

#### 14. Analysis of changes in net debt

	At 1 October 2023 £	Cash flows £	At 30 September 2024 £
Cash at bank and in hand	119,560	22,594	142,154
	<u>119,560</u>	<u>22,594</u>	<u>142,154</u>

#### 15. Related party transactions

During the year, one trustee received payments totalling £543 (2023: £1,727) as as reimbursement for plants purchased for use in the Charity gardens.

During the year, one trustee received payments totalling £Nil (2023: £28) as reimbursement for purchase of materials used in the Charity gardens.

During the year, one trustee paid the charity £5,160 (2023: £4,300) for rent.

During the year, one trustee paid the charity £1,020 (2023: £Nil) for car parking.

During the year, Berkshire Youth Limited, related by common Trusteeship, paid the charity £nil (2023: £11,880) for rent.

During the year, The Mills Archive Trust, related by common Trusteeship, paid the charity £21,691 (2023: £22,981) for rent.

During the year, The Reading Civic Society, related by common Trusteeship, paid the charity £250 (2023: £240) for room hire.

#### 16. Controlling party

The Charity is under joint control of the Trustees, who oversee all administration and operations that the Charity undertakes.

**WATLINGTON HOUSE TRUST**

England & Wales - Charity number 1158378

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# Accounts

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**WATLINGTON HOUSE**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

# WATLINGTON HOUSE

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## WATLINGTON HOUSE

### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### **Trustees**

G Adair (appointed 2 April 2014)  
A M Andrews (appointed 2 April 2014)  
R Bennett, Hon. Secretary (appointed 14 September 2016)  
M Cookson (appointed 3 July 2013)  
Canon B Shenton, Chairman (appointed 22 January 2014)  
S Thornton (resigned 1 December 2022)  
D C H Williams, Hon. Treasurer (appointed 2 April 2014)  
D J Cottam (appointed 30 November 2022)

#### **Charity registered number**

1158378

#### **Principal office**

Watlington House  
44 Watlington Street  
Reading  
Berkshire  
RG1 4RJ

#### **Accountants**

James Cowper Kreston  
Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

#### **Bankers**

NatWest Bank Plc  
Level 1  
The Oracle Centre  
Reading  
Berkshire  
RG1 2AH

#### **Solicitors**

Field Seymour Parkes  
1 London Street  
Reading  
Berkshire  
RG1 4QW

## **WATLINGTON HOUSE**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023**

The Trustees present their Report with the Financial Statements of the Charity to the year ended 30 September 2023. The Trustees confirm that the Annual Report and Financial Statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

#### **CONSTITUTION**

The Charity is controlled by its governing document, a Constitution registered with the Charity Commission on 28 August 2014, and constitutes a Charitable Incorporated Organisation (CIO).

#### **METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the charity is the responsibility of the Trustees, who are elected and co-opted under the terms of the Constitution registered with the Charity Commission on 28 August 2014.

#### **RISK REVIEW**

The Trustees actively review the major risks which the Charity faces on a regular basis.

The loss of key tenants poses a significant risk for the charity. In 2010, following the loss of several of its tenants, the Charity's income fell and its ability to keep trading as a going concern was open to question. In view of this the charity took a number of steps to increase its income and reduce its operating costs.

The Charity was successful in its endeavours and by 30 September 2019 income from Letting and Hall and other hire had risen to £89,058. By 30 September 2020 this figure had dropped to £71,280, as the full effects of the coronavirus pandemic were felt, resulting in restrictions on Hall hire. The charity was not eligible for any government grants relating to the impact of the pandemic during the period April to September 2020. Nevertheless the Trust still posted a small surplus of £464.

During the financial year 2020-21 the local NHS Primary Care Network established a very successful Covid Centre to serve central Reading. To compensate for loss of income the Trust were paid £36,920 during the year in question. In addition the policy on Covid grant support changed and the Trust received £27,357 in Covid support grants from Reading Borough Council. In the event only one of the Trust's 5 tenants (the Gurkhas – Total Security Ltd) required rent relief, this represented a loss of £5,460 for the financial year 2012-2022 and a total of £8,190 since the pandemic started.

However, despite assistance they were unable to re-start their business and they terminated their agreement with the Trust from 31st March 2022 after 10 years' occupancy.

The Trust completed the refurbishment of the front garden and enclosure of Watlington House. In November 2021 at a gross cost of £56k. The project was supported by a grant of £19k from the Earley Pools Charity, as part of their Bi-centennial celebrations, reducing the net cost to £36k. The Trust has received very positive feedback about the added presence the improvements give to both the House and surrounding conservation area. The works were unveiled by Cllr Stevens (Mayor of Reading), Willie Hartley-Russell MVO DL (High Sheriff of the Royal County) and Trustees of Earley Charity.

## **WATLINGTON HOUSE**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023**

The Trust have consolidated their financial position during the current year. The two upstairs rooms at the front of the house, vacated by the Gurkhas, having been refurbished in 2021-22 were re-let to one of the Trustees, Mrs M Cookson to house her personal archives and to Chris Weston of Weston & Co Architects. This meant that Chris Weston had two rooms. However, the financial challenges he faced during 2023 meant that during the summer he has now concentrated work in the larger room at the front and has surrendered his original room at the back, which remains to be relet. Hall and Parking income has recovered after the Covid downturn and is approaching pre-Covid levels. Following the major expenditure last year on the House surrounds, expenditure has decreased and overall the Trust has posted a surplus of £20,702.

The Trustees also keep the potential cost of improvements, planned maintenance and unforeseen repairs under regular review and have adopted a policy of ensuring that the Trust always has a reserve of at least the equivalent of three months' expenditure. Once the current programme of refurbishment and improvements has been completed the Trustees intend to create a 'sinking fund' from their reserves to cover any future major expenditure.

#### **OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT**

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Watlington House is a Grade 2 starred listed building. When threatened with demolition in 1930, public monies were raised and the building was purchased by the National Council of Social Service (now the National Council for Voluntary Service) in 1931 for £1,705 plus expenses, to be run by the Watlington House Management Committee, which was then registered as a charity in its own right. The value of the building now for insurance purposes is £3.5m and it is insured with the Ecclesiastical Insurance Co Ltd.

The Charity was formed to manage and maintain Watlington House for the general benefit of the local community. The house has a number of rooms and a Hall for letting and hire by individuals or organisations in accordance with the standard hiring agreement and the scale of charges adopted for the year. The income from lettings is used to maintain the property.

On 2 April 2014 the Charity obtained Charity Commission approval to change its constitution. It is now a Charitable Incorporated Organization (CIO). A CIO can acquire land and in July 2016 the Charity acquired the freehold of Watlington House from the National Council for Voluntary Service (NCVO). No consideration was paid.

#### **GOING CONCERN**

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

#### **FINANCES**

The Charity has a reserves policy of three months of expenditure. Based on average expenditure for the first seven months of the 2024 financial year of £5,464 per month, the Charity has reserves of ~22 months.

## WATLINGTON HOUSE

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

The Charity's total funds, excluding investment property, as at September 2023 amounted to £119,160, being £3,619,160 less property of £3,500,000 (£98,458 as at 30 September 2022). The Trust has now completed the major part of its repair and refurbishment programme.

2016/17 – roof and exterior of main building refurbished

2017/18 – Hall refurbished and extended to provide additional office accommodation

2018/19 – Boundary wall re-furbished and extra work to the House

2019/20 – repairs, maintenance and painting of windows and doors at rear of the House and refurbishment of others, also refurbishment of front garden and curtilage

2021/22 – major refurbishment of the rooms vacated by the Gurkhas in March 2022, which have been re-let from September 2022. The Trust completed the refurbishment of the front garden and enclosure of Watlington House in November 2021 at a gross cost of £56k. The project was supported by a grant of £19k from the Earley Poors Charity, as part of their Bi-centennial celebrations, reducing the net cost to £36k. The Trust has received very positive feedback about the added presence the improvements give to both the House and surrounding conservation area.

2022/23 – Following our experience supporting the NHS during COVID we were approached by the lead practice we worked with to see if we would be willing to erect a building in the rear of the main building to rent to the Central Reading Primary Care Network for health purposes. The feasibility study concluded during 2023 that although it might be possible to erect such a building in the available space, the constraints of our Grade II\* property, which includes the garden, would have made Planning Consent challenging to secure. It was also judged that it would be difficult to avoid impacting adversely on the House and garden. As a result no further action has been taken to implement the proposal.

#### TRUSTEE'S RESPONSIBILITIES STATEMENT

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

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

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP (FRS102);
3. make judgments and accounting estimates that are reasonable and prudent;
4. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WATLINGTON HOUSE

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2023

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....  
Canon B Shenton

Date: 24/06/2024

## WATLINGTON HOUSE

### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### Independent Examiner's Report to the Trustees of Watlington House ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 30 September 2023.

#### Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: 

Dated: 25 June 2024

Alexander Peal BSc (Hons) FCA DChA

**James Cowper Kreston**  
Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

**WATLINGTON HOUSE**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>				
Charitable activities	2	83,163	83,163	79,114
<b>Total income</b>		<b>83,163</b>	<b>83,163</b>	79,114
<b>Expenditure on:</b>				
Charitable activities	3	62,461	62,461	113,734
<b>Total expenditure</b>		<b>62,461</b>	<b>62,461</b>	113,734
<b>Net movement in funds</b>		<b>20,702</b>	<b>20,702</b>	(34,620)
<b>Reconciliation of funds:</b>				
Total funds brought forward		3,598,458	3,598,458	3,633,078
Net movement in funds		20,702	20,702	(34,620)
<b>Total funds carried forward</b>		<b>3,619,160</b>	<b>3,619,160</b>	3,598,458

The Statement of Financial Activities includes all gains and losses recognised in the year.

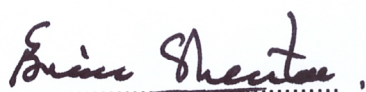
The notes on pages 10 to 18 form part of these financial statements.

WATLINGTON HOUSE

BALANCE SHEET  
AS AT 30 SEPTEMBER 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investment property	6	3,500,000	3,500,000
<b>Current assets</b>			
Debtors	7	-	2,600
Cash at bank and in hand		119,560	95,858
Creditors: amounts falling due within one year	8	(400)	-
<b>Net current assets</b>		<u>119,160</u>	<u>98,458</u>
<b>Total assets less current liabilities</b>		<u>3,619,160</u>	<u>3,598,458</u>
<b>Total net assets</b>		<u><u>3,619,160</u></u>	<u><u>3,598,458</u></u>
<b>Charity funds</b>			
Restricted funds	9	-	-
Unrestricted funds	9	3,619,160	3,598,458
<b>Total funds</b>		<u><u>3,619,160</u></u>	<u><u>3,598,458</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Canon B Shenton

Date: 24/06/2024

The notes on pages 10 to 18 form part of these financial statements.

**WATLINGTON HOUSE**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	<b>Note</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	12	<b>23,702</b>	(18,220)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>23,702</b>	<b>(18,220)</b>
Cash and cash equivalents at the beginning of the year		<b>95,858</b>	114,078
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	13	<b>119,560</b>	95,858
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 10 to 18 form part of these financial statements

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Watlington House meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 1.2 Going concern

The Trustees are of the view that the charity has sufficient funds to enable it to continue its activities on a going concern basis for a period of at least 12 months. The trustees believe that financial statements have been prepared appropriately on the going concern basis.

##### 1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

##### 1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### 1. Accounting policies (continued)

##### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations including support costs and costs relating to the governance of the charity apportioned to charitable activities.

##### 1.6 Investment property

Freehold property is revalued by the Trustees, on an open market for existing use basis.

##### 1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

##### 1.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**2. Income from charitable activities**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Tenant's rent	61,606	<b>61,606</b>	47,336
Hall and other income	21,557	<b>21,557</b>	31,778
	83,163	<b>83,163</b>	79,114
	79,114	79,114	
Total 2022			

**3. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Direct costs	-	61,161	<b>61,161</b>	112,894
Governance costs	-	1,300	<b>1,300</b>	840
	-	62,461	<b>62,461</b>	113,734
	19,000	94,734	113,734	
Total 2022				

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**4. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Direct costs	61,161	-	<b>61,161</b>	112,894
Governance costs	-	1,300	<b>1,300</b>	840
	<u>61,161</u>	<u>1,300</u>	<u><b>62,461</b></u>	<u>113,734</u>
Total 2022	<u>112,894</u>	<u>840</u>	<u>113,734</u>	

Governance costs £1,300 comprises annual independent examination fee of £900, plus the £400 accountancy charge for additional reconciliation work.

**Analysis of direct costs**

	<b>Activities 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Caretaking	12,350	<b>12,350</b>	7,800
Rates	5,651	<b>5,651</b>	5,171
Insurance	6,354	<b>6,354</b>	5,726
Light and heat	10,113	<b>10,113</b>	9,225
House expenditure	12,172	<b>12,172</b>	12,041
Repairs and maintenance	4,414	<b>4,414</b>	8,518
House improvements	-	-	58,564
Garden expenditure	6,002	<b>6,002</b>	-
Water	813	<b>813</b>	757
Cleaning	2,470	<b>2,470</b>	4,766
Sundry	822	<b>822</b>	326
	<u>61,161</u>	<u><b>61,161</b></u>	<u>112,894</u>
Total 2022	<u>112,894</u>	<u>112,894</u>	

**5. Independent examiner's remuneration**

The independent examiner's remuneration amounts to an independent examiner fee of £900 (2022 - £875).

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**6. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 October 2022	3,500,000
At 30 September 2023	<u>3,500,000</u>

The freehold investment property was acquired from the National Council for Voluntary Organisations (NCVO) for a peppercorn on 18 July 2016. The freehold property was revalued by the Trustees, on an open market for existing use basis.

**7. Debtors**

	<b>2023 £</b>	<b>2022 £</b>
<b>Due within one year</b>		
Other debtors	-	2,600
	<u>-</u>	<u>2,600</u>

**8. Creditors: amounts falling due within one year**

	<b>2023 £</b>	<b>2022 £</b>
Accruals and deferred income	400	-
	<u>400</u>	<u>-</u>

Creditors falling due within one year (£400 accrual) being accountancy fee for additional reconciliation work.

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**9. Statement of funds**

**Statement of funds - current year**

	Balance at 1 October 2022 £	Income £	Expenditure £	Balance at 30 September 2023 £
<b>Unrestricted funds</b>				
Unrestricted funds	<u>3,598,458</u>	<u>83,163</u>	<u>(62,461)</u>	<u>3,619,160</u>

**Statement of funds - prior year**

	Balance at 1 October 2021 £	Income £	Expenditure £	Balance at 30 September 2022 £
<b>Unrestricted funds</b>				
Unrestricted funds	<u>3,614,078</u>	<u>79,114</u>	<u>(94,734)</u>	<u>3,598,458</u>
<b>Restricted funds</b>				
Restricted Funds - all funds	<u>19,000</u>	<u>-</u>	<u>(19,000)</u>	<u>-</u>
<b>Total of funds</b>	<u><u>3,633,078</u></u>	<u><u>79,114</u></u>	<u><u>(113,734)</u></u>	<u><u>3,598,458</u></u>

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**10. Summary of funds**

**Summary of funds - current year**

	Balance at 1 October 2022 £	Income £	Expenditure £	Balance at 30 September 2023 £
General funds	<u>3,598,458</u>	<u>83,163</u>	<u>(62,461)</u>	<u>3,619,160</u>

**Summary of funds - prior year**

	Balance at 1 October 2021 £	Income £	Expenditure £	Balance at 30 September 2022 £
General funds	3,614,078	79,114	(94,734)	3,598,458
Restricted funds	19,000	-	(19,000)	-
	<u>3,633,078</u>	<u>79,114</u>	<u>(113,734)</u>	<u>3,598,458</u>

**11. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2023 £	Total funds 2023 £
Investment property	3,500,000	<b>3,500,000</b>
Current assets	119,560	<b>119,560</b>
Creditors due within one year	(400)	<b>(400)</b>
<b>Total</b>	<u>3,619,160</u>	<u><b>3,619,160</b></u>

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**11. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2022 £	Total funds 2022 £
Investment property	3,500,000	3,500,000
Current assets	98,458	98,458
<b>Total</b>	<b>3,598,458</b>	<b>3,598,458</b>

**12. Reconciliation of net movement in funds to net cash flow from operating activities**

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	20,702	(34,620)
<b>Adjustments for:</b>		
Decrease in debtors	2,600	16,400
Increase in creditors	400	-
<b>Net cash provided by/(used in) operating activities</b>	<b>23,702</b>	<b>(18,220)</b>

**13. Analysis of cash and cash equivalents**

	2023 £	2022 £
Cash in hand	119,560	95,858
<b>Total cash and cash equivalents</b>	<b>119,560</b>	<b>95,858</b>

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### 14. Analysis of changes in net debt

	At 1 October 2022 £	Cash flows £	At 30 September 2023 £
Cash at bank and in hand	95,858	23,702	119,560
	<u>95,858</u>	<u>23,702</u>	<u>119,560</u>

#### 15. Related party transactions

During the year, one trustee received payments totalling £1,727 (2022: £3,924) as as reimbursement for plants purchased for use in the Charity gardens.

During the year, one trustee received payments totalling £28 (2022: £nil) as reimbursement for purchase of materials used in the Charity gardens.

During the year, one trustee paid the charity £4,300 (2022: £nil) for rent.

During the year, Berkshire Youth Limited, related by common Trusteeship, paid the charity £11,880 (2022: £11,880) for rent.

During the year, The Mills Archive Trust, related by common Trusteeship, paid the charity £22,981 (2022: £21,696) for rent.

During the year, The Reading Civic Society, related by common Trusteeship, paid the charity £240 (2022: £140) for room hire.

#### 16. Controlling party

The Charity is under joint control of the Trustees, who oversee all administration and operations that the Charity undertakes.

**WATLINGTON HOUSE TRUST**

England & Wales - Charity number 1158378

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# Accounts

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**WATLINGTON HOUSE**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

# WATLINGTON HOUSE

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## WATLINGTON HOUSE

### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### Trustees

G Adair (appointed 2 April 2014)  
A M Andrews (appointed 2 April 2014)  
R Bennett, Hon. Secretary (appointed 14 September 2016)  
M Cookson (appointed 3 July 2013)  
Canon B Shenton, Chairman (appointed 22 January 2014)  
S Thornton (resigned 1 December 2022)  
D C H Williams, Hon. Treasurer (appointed 2 April 2014)

#### Charity registered number

1158378

#### Principal office

Watlington House  
44 Watlington Street  
Reading  
Berkshire  
RG1 4RJ

#### Accountants

James Cowper Kreston Audit  
Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

#### Bankers

NatWest Bank Plc  
Level 1  
The Oracle Centre  
Reading  
Berkshire  
RG1 2AH

#### Solicitors

Field Seymour Parkes  
1 London Street  
Reading  
Berkshire  
RG1 4QW

## WATLINGTON HOUSE

### TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Trustees present their Report with the Financial Statements of the Charity for the year ended 30 September 2022. The Trustees confirm that the Annual Report and Financial statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

#### CONSTITUTION

The Charity is controlled by its governing document, a Constitution registered with the Charity Commission on 28 August 2017, and constitutes a Charitable Incorporated Organisation (CIO).

#### METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees, who are elected and co-opted under the terms of the Constitution registered with the Charity Commission on 28 August 2014.

#### RISK REVIEW

The Trustees actively review the major risks which the Charity faces on a regular basis.

The loss of key tenants poses a significant risk for the charity. In 2010, following the loss of several of its tenants, the Charity's income fell and its ability to keep trading as a going concern was open to question. In view of this the charity took a number of steps to increase its income and reduce its operating costs.

The Charity was successful in its endeavours and by 30 September 2019 income from Letting and Hall and other hire had risen to £89,058. By 30 September 2020 this figure had dropped to £71,280, as the full effects of the coronavirus pandemic were felt, resulting in restrictions on Hall hire. The charity was not eligible for any government grants relating to the impact of the pandemic during the period April to September 2020. Nevertheless the Trust still posted a small surplus of £464.

During the financial year 2020-21 the local NHS Primary Care Network established a very successful Covid Centre to serve central Reading. To compensate for loss of income the Trust were paid £36,920 during the year in question. In addition the policy on Covid grant support changed and the Trust received £27,357 in Covid support grants from Reading Borough Council. In the event only one of the Trust's 5 tenants (the Gurkhas – Total Security Ltd) required rent relief, this represented a loss of £5,460 for this financial year 2020-2022 and a total of £8,190 since the pandemic started.

However, despite assistance they were unable to re-start their business and they terminated their agreement with the Trust from 31st March 2022 after 10 years' occupancy.

The Trust completed the refurbishment of the front garden and enclosure of Watlington House. In November 2021 at a gross cost of £56k. The project was supported by a grant of £19k from the Earley Pools Charity, as part of their Bi-centennial celebrations, reducing the net cost to £36k. The Trust has received very positive feedback about the added presence the improvements give to both the House and surrounding conservation area. The works were unveiled by Cllr Stevens (Mayor of Reading), Willie Hartley-Russell MVO DL (High Sheriff of the Royal County) and Trustees of Earley Charity.

The Trustees also keep the potential cost of improvements, planned maintenance and unforeseen repairs under regular review and have adopted a policy of ensuring that the Trust always has a reserve of at least the equivalent of three months' expenditure. Once the current programme of refurbishment and improvements has been completed the Trustees intend to create a 'sinking fund' from their reserves to cover any future major expenditure.

## WATLINGTON HOUSE

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Watlington House is a Grade 2 starred listed building. When threatened with demolition in 1930, public monies were raised and the building was purchased by the National Council of Social Service (now the National Council for Voluntary Service) in 1931 for £1,705 plus expenses, to be run by the Watlington House Management Committee, which was then registered as a charity in its own right. The value of the building now for insurance purposes is £3.5m and it is insured with the Ecclesiastical Insurance Co Ltd.

The Charity was formed to manage and maintain Watlington House for the general benefit of the local community. The house has a number of rooms and a Hall for letting and hire by individuals or organisations in accordance with the standard hiring agreement and the scale of charges adopted for the year. The income from lettings is used to maintain the property.

On 2 April 2014 the Charity obtained Charity Commission approval to change its constitution. It is now a Charitable Incorporated Organization (CIO). A CIO can acquire land and in July 2016 the Charity acquired the freehold of Watlington House from the National Council for Voluntary Service (NCVO). No consideration was paid.

#### GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

#### FINANCES

The Charity has a reserves policy of three months of expenditure.

In May 2020 Trustees approved plans to carry out works to improve the setting of the front of the house as viewed from the street. This included; building an enclosing wall, railings and significantly improving the front garden. The works were undertaken with the support of a £19k grant from the Earley Charity, given as part of their celebration of the Earley Chaity's 200 years of active philanthropy. The challenges of the pandemic meant that by the year end these works were only 80% complete by the year end. The formal unveiling by the High Sheriff of Berkshire and the Mayor of Reading took place on 8 November. The grant was received in November 2021. The cost net of the grant was £35,890.

The Charity's total funds, excluding investment property, as at September 2022 amounted to £98,458 (£133,078 as at 30th September 2021) and the Trust has now completed the major part of its repair and refurbishment programme:

2016/17 – roof and exterior of main building refurbished

2017/18 – hall refurbished and extended to provide additional office accommodation

2018/19 – boundary wall refurbished and extra work to the House

2019/20 – repairs, maintenance and painting of windows and doors at rear of the house

2020/21 – replacement of 5 sash windows and refurbishment of front garden and curtilage. Refurbishment of front garden and curtilage.

2021/22 – major refurbishment of the rooms vacated by the Gurkhas, which have been re-let from September 2022. Work is continuing on the feasibility study to see if it would be possible to erect a building at the rear of the main building to rent to the Central Reading Primary Care Network for health purposes. The feasibility study will explore the heritage and environmental impact of new building on the House and its surroundings as well as the financial risks for the Trust, so as to ensure that there is no risk of the Trust being unable to continue as a going concern.

WATLINGTON HOUSE

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2022

TRUSTEE'S RESPONSIBILITIES STATEMENT

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

Approved by order of the members of the board of Trustees and signed on their behalf by:

  
.....  
Canon B Shenton

Date: 22<sup>nd</sup> Feb 2023

WATLINGTON HOUSE

INDEPENDENT EXAMINER'S REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2022

**Independent Examiner's Report to the Trustees of Watlington House ('the Charity')**

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 30 September 2022.

**Responsibilities and Basis of Report**

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent Examiner's Statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Dated:

2 March 2023

Alexander Peal BSc (Hons) FCA DChA

**James Cowper Kreston Audit**  
Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

WATLINGTON HOUSE

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	2	-	-	-	19,000
Charitable activities	3	-	79,114	79,114	120,312
<b>Total income</b>		<b>-</b>	<b>79,114</b>	<b>79,114</b>	<b>139,312</b>
<b>Expenditure on:</b>					
Charitable activities	4	19,000	94,734	113,734	91,991
<b>Total expenditure</b>		<b>19,000</b>	<b>94,734</b>	<b>113,734</b>	<b>91,991</b>
<b>Net movement in funds</b>		<b>(19,000)</b>	<b>(15,620)</b>	<b>(34,620)</b>	<b>47,321</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		19,000	3,614,078	3,633,078	3,585,757
Net movement in funds		(19,000)	(15,620)	(34,620)	47,321
<b>Total funds carried forward</b>		<b>-</b>	<b>3,598,458</b>	<b>3,598,458</b>	<b>3,633,078</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 9 to 17 form part of these financial statements.

WATLINGTON HOUSE

BALANCE SHEET  
AS AT 30 SEPTEMBER 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investment property	7	3,500,000	3,500,000
<b>Current assets</b>			
Debtors	8	2,600	19,000
Cash at bank and in hand		95,858	114,078
<b>Net current assets</b>		<u>98,458</u>	<u>133,078</u>
<b>Total assets less current liabilities</b>		<u>3,598,458</u>	<u>3,633,078</u>
<b>Total net assets</b>		<u><u>3,598,458</u></u>	<u><u>3,633,078</u></u>
<b>Charity funds</b>			
Restricted funds	9	-	19,000
Unrestricted funds	9	3,598,458	3,614,078
<b>Total funds</b>		<u><u>3,598,458</u></u>	<u><u>3,633,078</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Canon B Shenton

Date: 22nd Feb 2023

The notes on pages 9 to 17 form part of these financial statements.

**WATLINGTON HOUSE**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	12	(18,220)	26,957
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>			
Cash and cash equivalents at the beginning of the year		114,078	87,121
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	13	<b>95,858</b>	<b>114,078</b>
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9 to 17 form part of these financial statements

*[Handwritten Signature]*

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Watlington House meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 1.2 Going concern

The Trustees are of the view that the charity has sufficient funds to enable it to continue its activities on a going concern basis for a period of at least 12 months. The trustees believe that financial statements have been prepared appropriately on the going concern basis.

##### 1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

##### 1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 1. Accounting policies (continued)

##### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations including support costs and costs relating to the governance of the charity apportioned to charitable activities.

##### 1.6 Investment property

Freehold property is revalued by the Trustees, on an open market for existing use basis.

##### 1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 1.9 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

WATLINGTON HOUSE

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**2. Income from donations and legacies**

	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Grants	-	-	19,000
<b>Total 2021</b>	<b>19,000</b>	<b>19,000</b>	

**3. Income from charitable activities**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Tenant's rent	47,336	<b>47,336</b>	50,111
Hall and other income	31,778	<b>31,778</b>	70,201
	<b>79,114</b>	<b>79,114</b>	120,312
<b>Total 2021</b>	<b>120,312</b>	<b>120,312</b>	

**4. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Direct costs	19,000	93,894	<b>112,894</b>	91,187
Governance costs	-	840	<b>840</b>	804
	<b>19,000</b>	<b>94,734</b>	<b>113,734</b>	91,991
<b>Total 2021</b>	<b>-</b>	<b>91,991</b>	<b>91,991</b>	

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**5. Analysis of expenditure by activities**

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Direct costs	112,894	-	112,894	91,187
Governance costs	-	840	840	804
	<u>112,894</u>	<u>840</u>	<u>113,734</u>	<u>91,991</u>
Total 2021	<u>91,187</u>	<u>804</u>	<u>91,991</u>	

**Analysis of direct costs**

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Caretaking	7,800	7,800	7,590
Rates	5,171	5,171	5,171
Insurance	5,726	5,726	5,113
Light and heat	9,225	9,225	10,148
House expenditure	12,041	12,041	7,368
Repairs and maintenance	8,518	8,518	4,442
House improvements	58,564	58,564	45,714
Water	757	757	1,011
Cleaning	4,766	4,766	5,628
Sundry	326	326	(998)
	<u>112,894</u>	<u>112,894</u>	<u>91,187</u>
Total 2021	<u>91,187</u>	<u>91,187</u>	

**6. Independent examiner's remuneration**

The independent examiner's remuneration amounts to an independent examiner fee of £875 (2021 - £804).

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**7. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 October 2021	3,500,000
At 30 September 2022	3,500,000

The freehold investment property was acquired from the National Council for Voluntary Organisations (NCVO) for a peppercorn on 18 July 2016. The freehold property was revalued by the Trustees, on an open market for existing use basis.

**8. Debtors**

	<b>2022 £</b>	<b>2021 £</b>
<b>Due within one year</b>		
Other debtors	2,600	-
Grants receivable	-	19,000
	2,600	19,000

WATLINGTON HOUSE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022

9. Statement of funds

Statement of funds - current year

	Balance at 1 October 2021 £	Income £	Expenditure £	Balance at 30 September 2022 £
<b>Unrestricted funds</b>				
Unrestricted funds	3,614,078	79,114	(94,734)	3,598,458
<b>Restricted funds</b>				
Restricted Funds	19,000	-	(19,000)	-
<b>Total of funds</b>	<b>3,633,078</b>	<b>79,114</b>	<b>(113,734)</b>	<b>3,598,458</b>

Statement of funds - prior year

	Balance at 1 October 2020 £	Income £	Expenditure £	Balance at 30 September 2021 £
<b>Unrestricted funds</b>				
Unrestricted funds	3,585,757	120,312	(91,991)	3,614,078
<b>Restricted funds</b>				
Unallocated amounts	-	19,000	-	19,000
<b>Total of funds</b>	<b>3,585,757</b>	<b>139,312</b>	<b>(91,991)</b>	<b>3,633,078</b>

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**10. Summary of funds**

**Summary of funds - current year**

	Balance at 1 October 2021 £	Income £	Expenditure £	Balance at 30 September 2022 £
General funds	3,614,078	79,114	(94,734)	3,598,458
Restricted funds	19,000	-	(19,000)	-
	<b>3,633,078</b>	<b>79,114</b>	<b>(113,734)</b>	<b>3,598,458</b>
	<b>3,633,078</b>	<b>79,114</b>	<b>(113,734)</b>	<b>3,598,458</b>

**Summary of funds - prior year**

	Balance at 1 October 2020 £	Income £	Expenditure £	Balance at 30 September 2021 £
General funds	3,585,757	120,312	(91,991)	3,614,078
Restricted funds	-	19,000	-	19,000
	<b>3,585,757</b>	<b>139,312</b>	<b>(91,991)</b>	<b>3,633,078</b>
	<b>3,585,757</b>	<b>139,312</b>	<b>(91,991)</b>	<b>3,633,078</b>

**11. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Total funds 2022 £
Investment property	3,500,000	3,500,000
Current assets	98,458	98,458
	<b>3,598,458</b>	<b>3,598,458</b>
	<b>3,598,458</b>	<b>3,598,458</b>

WATLINGTON HOUSE

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**11. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Investment property	-	3,500,000	3,500,000
Current assets	19,000	114,078	133,078
<b>Total</b>	<u>19,000</u>	<u>3,614,078</u>	<u>3,633,078</u>

**12. Reconciliation of net movement in funds to net cash flow from operating activities**

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>(34,620)</u>	47,321
<b>Adjustments for:</b>		
Accrual write back	-	(1,364)
Decrease/(increase) in debtors	16,400	(19,000)
<b>Net cash provided by/(used in) operating activities</b>	<u>(18,220)</u>	<u>26,957</u>

**13. Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash in hand	95,858	114,078
<b>Total cash and cash equivalents</b>	<u>95,858</u>	<u>114,078</u>

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**14. Analysis of changes in net debt**

	At 1 October 2021	Cash flows	At 30 September 2022
	£	£	£
Cash at bank and in hand	114,078	(18,220)	95,858
	114,078	(18,220)	95,858
	114,078	(18,220)	95,858

**15. Related party transactions**

During the year, one trustee received payments totalling £3,924 (2021: £932) for garden maintenance.

During the year, Berkshire Youth Limited, related by common Trusteeship, paid the charity £11,880 (2021: £11,880) for rent.

During the year, The Mills Archive Trust, related by common Trusteeship, paid the charity £21,696 (2021: £21,685) for rent.

During the year, The Reading Civic Society, related by common Trusteeship, paid the charity £140 (2021: £120) for room hire.

**16. Controlling party**

The Charity is under joint control of the Trustees, who oversee all administration and operations that the Charity undertakes.

**WATLINGTON HOUSE TRUST**

England & Wales - Charity number 1158378

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# Accounts

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**WATLINGTON HOUSE**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

## WATLINGTON HOUSE

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## **WATLINGTON HOUSE**

### **REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 SEPTEMBER 2021**

#### **Trustees**

G Adair  
A M Andrews  
R Bennett, Hon. Secretary  
M Cookson  
Canon B Shenton, Chairman  
S Thornton  
D C H Williams, Hon. Treasurer

#### **Charity registered number**

1158378

#### **Principal office**

Watlington House  
44 Watlington Street  
Reading  
Berkshire  
RG1 4RJ

#### **Accountants**

James Cowper Kreston  
Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

#### **Bankers**

NatWest Bank Plc  
Level 1  
The Oracle Centre  
Reading  
Berkshire  
RG1 2AH

#### **Solicitors**

Field Seymour Parkes  
1 London Street  
Reading  
Berkshire  
RG1 4QW

## **WATLINGTON HOUSE**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021**

The Trustees present their Report with the Financial Statements of the Charity for the year ended 30 September 2021. The Trustees confirm that the Annual Report and Financial statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2016).

#### **CONSTITUTION**

The Charity is controlled by its governing document, a Constitution registered with the Charity Commission on 28 August 2017, and constitutes a Charitable Incorporated Organisation (CIO).

#### **METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the charity is the responsibility of the Trustees, who are elected and co-opted under the terms of the Constitution registered with the Charity Commission on 28 August 2014.

#### **RISK REVIEW**

The Trustees actively review the major risks which the Charity faces on a regular basis.

The loss of key tenants poses a significant risk for the charity. In 2010, following the loss of several of its tenants, the Charity's income fell and its ability to keep trading as a going concern was open to question. In view of this the charity took a number of steps to increase its income and reduce its operating costs.

The Charity was successful in its endeavours and by the 30 September 2019 income from Letting and Hall and other hire had risen to £89,058. By 30 September 2020 this figure had dropped to £71,280, as the full effects of the coronavirus pandemic were felt, resulting in restrictions on Hall hire. The charity was not eligible for any government grants relating to the impact of the pandemic during the period April to September 2020. Nevertheless the Trust still posted a small surplus of £464.

During the current year the Trust were approached by the local NHS Primary Care network and asked to make over the Hall, garden and grounds to establish a Covid Centre to serve central Reading. There was no other suitable site. To compensate for loss of income the Trust were paid £36,920 during the year in question. In addition, the policy on Covid grant support changed and the Trust received £27,357 in Covid support grants from Reading Borough Council. As in the event only one of the Trust's 5 tenants required rent relief, the Trust continued with works to refurbish the front garden and enclose the front of the property Watlington House.

The Trustees also keep the potential cost of improvements, planned maintenance and unforeseen repairs under regular review and have adopted a policy of ensuring that the Trust always has a reserve of at least the equivalent of three months' expenditure. Once the current programme of refurbishment and improvements has been completed the Trustees intend to create a 'sinking fund' from their reserves to cover any future major expenditure.

#### **OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT**

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Watlington House is a Grade 2 starred listed building. When threatened with demolition in 1930, public monies were raised and the building was purchased by the National Council of Social Service (now the National Council for Voluntary Service) in 1931 for £1,705 plus expenses, to be run by the Watlington House Management Committee, which was then registered as a charity in its own right. The value of the building now for insurance purposes is £3.5m and it is insured with the Ecclesiastical Insurance Co Ltd.

The Charity was formed to manage and maintain Watlington House for the general benefit of the local community. The house has a number of rooms and a Hall for letting and hire by individuals or organisations in accordance with the standard hiring agreement and the scale of charges adopted for the year. The income from lettings is used to maintain the property.

## WATLINGTON HOUSE

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

On 2 April 2014 the Charity obtained Charity Commission approval to change its constitution. It is now a Charitable Incorporated Organization (CIO). A CIO can acquire land and in July 2016 the Charity acquired the freehold of Watlington House from the National Council for Voluntary Service (NCVO). No consideration was paid.

#### GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

#### FINANCES

In May 2020 Trustees approved plans to carry out works to improve the setting of the front of the house as viewed from the street. This included; building an enclosing wall, railings and significantly improving the front garden. The works were undertaken with the support of a £19k grant from the Earley Charity, given as part of their celebration of the Earley Chaity's 200 years of active philanthropy. The challenges of the pandemic meant that by the year end these works were only 80% complete by the year end. The formal unveiling by the High Sheriff of Berkshire and the Mayor of Reading took place on 8 November. The grant was received in November 2021. The cost net of the grant was £35,890.

The Charity's total funds, excluding investment property, as at September 2021 amounted to £120,312 (£85,737 as at 30th September 2020) and the Trust has now completed the major part of its repair and refurbishment programme.

2016/17 – roof and exterior of main building refurbished

2017/18 – Hall refurbished and extended to provide additional office accommodation

2018/19 – boundary wall refurbished and extra work to the House

2019/20 – repairs, maintenance and painting of windows and doors at rear of the house

2020/21 – replacement of 5 sash windows and refurbishment of front garden and curtilage.

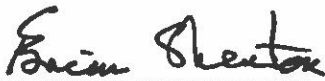
2021/22 – such has been the success of the temporary Covid vaccine centre that at the request of the Central Reading Primary Care Network, the Trust and the Network will be jointly funding a feasibility study to see if it would be possible to erect a building at the rear of the main building to rent to the Network for health purposes. The feasibility study will look at both the environmental impact of new building on the House and its surroundings as well as the financial risks for the Trust, so as to ensure that there is no risk of the Trust being unable to continue as a going concern.

#### TRUSTEE'S RESPONSIBILITIES STATEMENT

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

Approved by order of the members of the board of Trustees and signed on their behalf by:

  
.....  
Canon B Shepton

Date: 16/07/2022

**WATLINGTON HOUSE**

**INDEPENDENT EXAMINER'S REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**Independent Examiner's Report to the Trustees of Watlington House ('the Charity')**

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 30 September 2021.

**Responsibilities and Basis of Report**

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent Examiner's Statement**

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Dated: 19 July 2022

Alexander Peal BSc (Hons) FCA DChA

**James Cowper Kreston**  
Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

**WATLINGTON HOUSE**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations and legacies	2	19,000	-	19,000	-
Charitable activities	3	-	120,312	120,312	71,401
<b>Total income</b>		<u>19,000</u>	<u>120,312</u>	<u>139,312</u>	<u>71,401</u>
<b>Expenditure on:</b>					
Charitable activities	4	-	91,991	91,991	70,935
<b>Total expenditure</b>		<u>-</u>	<u>91,991</u>	<u>91,991</u>	<u>70,935</u>
<b>Net movement in funds</b>		<u>19,000</u>	<u>28,321</u>	<u>47,321</u>	<u>466</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		-	3,585,757	3,585,757	3,585,291
Net movement in funds		19,000	28,321	47,321	466
<b>Total funds carried forward</b>		<u>19,000</u>	<u>3,614,078</u>	<u>3,633,078</u>	<u>3,585,757</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

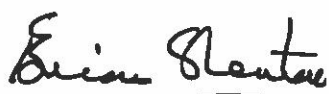
The notes on pages 8 to 16 form part of these financial statements.

**WATLINGTON HOUSE**

**BALANCE SHEET  
AS AT 30 SEPTEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investment property	7	3,500,000	3,500,000
		3,500,000	3,500,000
<b>Current assets</b>			
Debtors	8	19,000	-
Cash at bank and in hand		114,078	87,121
		133,078	87,121
Creditors: amounts falling due within one year	9	-	(1,364)
		133,078	85,757
<b>Total assets less current liabilities</b>		3,633,078	3,585,757
<b>Net assets excluding pension asset</b>		3,633,078	3,585,757
<b>Total net assets</b>		3,633,078	3,585,757
<b>Charity funds</b>			
Restricted funds	10	19,000	-
Unrestricted funds	10	3,614,078	3,585,757
		3,633,078	3,585,757
<b>Total funds</b>		3,633,078	3,585,757

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Canon B Shenton

Date: 16/07/2022

The notes on pages 8 to 16 form part of these financial statements.

**WATLINGTON HOUSE**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	26,957	466
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>	26,957	466
Cash and cash equivalents at the beginning of the year	87,121	86,655
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	<b>114,078</b>	<b>87,121</b>
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 8 to 16 form part of these financial statements

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Watlington House meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 1.2 Going concern

The Trustees are of the view that the charity has sufficient funds to enable it to continue its activities on a going concern basis for a period of at least 12 months. The trustees believe that financial statements have been prepared appropriately on the going concern basis.

##### 1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

##### 1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

#### 1. Accounting policies (continued)

##### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations including support costs and costs relating to the governance of the charity apportioned to charitable activities.

##### 1.6 Investment property

Freehold property is revalued by the Trustees, on an open market for existing use basis.

##### 1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

##### 1.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**2. Income from donations and legacies**

	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Grants	19,000	19,000	-
	<u>19,000</u>	<u>19,000</u>	<u>-</u>

**3. Income from charitable activities**

	<b>Unrestricte d funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Tenant's rent	50,111	50,111	53,353
Hall and other income	70,201	70,201	18,048
	<u>120,312</u>	<u>120,312</u>	<u>71,401</u>
<b>Total 2020</b>	<u>71,401</u>	<u>71,401</u>	

**4. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricte d funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Direct costs	91,187	91,187	70,161
Governance costs	804	804	774
	<u>91,991</u>	<u>91,991</u>	<u>70,935</u>
<b>Total 2020</b>	<u>70,935</u>	<u>70,935</u>	

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**5. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Direct costs	91,187	-	91,187	70,161
Governance costs	-	804	804	774
	<u>91,187</u>	<u>804</u>	<u>91,991</u>	<u>70,935</u>
Total 2020	<u>70,161</u>	<u>774</u>	<u>70,935</u>	

**Analysis of direct costs**

	<b>Activities 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Caretaking	7,590	7,590	7,440
Rates	5,171	5,171	5,140
Insurance	5,113	5,113	4,790
Light and heat	10,148	10,148	10,471
House expenditure	7,368	7,368	13,860
Repairs and maintenance	4,442	4,442	19,213
House improvements	45,714	45,714	3,546
Water	1,011	1,011	2,683
Cleaning	5,628	5,628	2,735
Sundry	(998)	(998)	283
	<u>91,187</u>	<u>91,187</u>	<u>70,161</u>
Total 2020	<u>70,161</u>	<u>70,161</u>	

**6. Independent examiner's remuneration**

The independent examiner's remuneration amounts to an independent examiner fee of £804 (2020 - £774).

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**7. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 October 2020	3,500,000
At 30 September 2021	3,500,000

The freehold investment property was acquired from the National Council for Voluntary Organisations (NCVO) for a peppercorn on 18 July 2016. The freehold property was revalued by the Trustees, on an open market for existing use basis.

**8. Debtors**

	<b>2021 £</b>	<b>2020 £</b>
<b>Due within one year</b>		
Grants receivable	19,000	-
	19,000	-

**9. Creditors: Amounts falling due within one year**

	<b>2021 £</b>	<b>2020 £</b>
Accruals and deferred income	-	1,364
	-	1,364

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**10. Statement of funds**

**Statement of funds - current year**

	Balance at 1 October 2020 £	Income £	Expenditure £	Balance at 30 September 2021 £
<b>Unrestricted funds</b>				
Unrestricted funds	3,585,757	120,312	(91,991)	3,614,078
<b>Restricted funds</b>				
Restricted Funds	-	19,000	-	19,000
<b>Total of funds</b>	<b>3,585,757</b>	<b>139,312</b>	<b>(91,991)</b>	<b>3,633,078</b>

**Statement of funds - prior year**

	Balance at 1 October 2019 £	Income £	Expenditure £	Balance at 30 September 2020 £
<b>Unrestricted funds</b>				
Unrestricted funds	85,291	71,401	(70,935)	85,757
Revaluation reserve	3,500,000	-	-	3,500,000
	<b>3,585,291</b>	<b>71,401</b>	<b>(70,935)</b>	<b>3,585,757</b>

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**11. Summary of funds**

**Summary of funds - current year**

	Balance at 1 October 2020 £	Income £	Expenditure £	Balance at 30 September 2021 £
Unrestricted funds	3,585,757	120,312	(91,991)	3,614,078
Restricted funds	-	19,000	-	19,000
	<u>3,585,757</u>	<u>139,312</u>	<u>(91,991)</u>	<u>3,633,078</u>

**Summary of funds - prior year**

	Balance at 1 October 2019 £	Income £	Expenditure £	Balance at 30 September 2020 £
Unrestricted funds	3,585,291	71,401	(70,935)	3,585,757

**12. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Restricted funds 2021 £	Unrestrict ed funds 2021 £	Total funds 2021 £
Investment property	-	3,500,000	3,500,000
Current assets	19,000	114,078	133,078
Creditors due within one year	-	-	-
<b>Total</b>	<u>19,000</u>	<u>3,614,078</u>	<u>3,633,078</u>

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**12. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2020 £	Total funds 2020 £
Investment property	3,500,000	3,500,000
Current assets	87,121	87,121
Creditors due within one year	(1,364)	(1,364)
	3,585,757	3,585,757
<b>Total</b>	<b>3,585,757</b>	<b>3,585,757</b>

**13. Reconciliation of net movement in funds to net cash flow from operating activities**

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	47,321	466
<b>Adjustments for:</b>		
Accrual write back	(1,364)	-
Decrease/(increase) in debtors	(19,000)	-
	26,957	466
<b>Net cash provided by operating activities</b>	<b>26,957</b>	<b>466</b>

**14. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand	114,078	87,121
<b>Total cash and cash equivalents</b>	<b>114,078</b>	<b>87,121</b>

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

#### 15. Analysis of changes in net debt

	At 1 October 2020	Cash flows	At 30 September 2021
	£	£	£
Cash at bank and in hand	87,121	26,957	114,078
	<u>87,121</u>	<u>26,957</u>	<u>114,078</u>

#### 16. Related party transactions

During the year, one trustee received payments totalling £932 (2020: £2,631) for garden maintenance.

During the year, Berkshire Youth Limited, related by common Trusteeship, paid the charity £11,880 (2020: £11,880) for rent.

During the year, The Mills Archive Trust, related by common Trusteeship, paid the charity £21,685 (2020: £21,691) for rent.

During the year, Reading Civic Society, related by common Trusteeship, paid the charity £120 (2020: £140), for Hall hire.

#### 17. Controlling party

The Charity is under joint control of the Trustees, who oversee all administration and operations that the Charity undertakes.

**WATLINGTON HOUSE TRUST**

England & Wales - Charity number 1158378

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# Accounts

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**WATLINGTON HOUSE**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

# WATLINGTON HOUSE

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## WATLINGTON HOUSE

### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 SEPTEMBER 2020

#### **Trustees**

G Adair  
A M Andrews  
R Bennett, Hon. Secretary  
M Cookson  
Canon B Shenton, Chairman  
S Thornton  
D C H Williams, Hon. Treasurer

#### **Charity registered number**

1158378

#### **Principal office**

Watlington House  
44 Watlington Street  
Reading  
Berkshire  
RG1 4RJ

#### **Accountants**

James Cowper Kreston  
Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

#### **Bankers**

NatWest Bank Plc  
Level 1  
The Oracle Centre  
Reading  
Berkshire  
RG1 2AH

#### **Solicitors**

Field Seymour Parkes  
1 London Street  
Reading  
Berkshire  
RG1 4QW

## **WATLINGTON HOUSE**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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The Trustees present their Report with the Financial Statements of the Charity for the year ended 30 September 2020. The Trustees confirm that the Annual Report and Financial statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2016).

#### **CONSTITUTION**

The Charity is controlled by its governing document, a Constitution registered with the Charity Commission on 28 August 2017, and constitutes a Charitable Incorporated Organisation (CIO).

#### **METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the charity is the responsibility of the Trustees, who are elected and co-opted under the terms of the Constitution registered with the Charity Commission on 28 August 2014.

#### **RISK REVIEW**

The Trustees actively review the major risks which the Charity faces on a regular basis.

The loss of key tenants poses a significant risk for the charity. In 2010, following the loss of several of its tenants, the Charity's income fell and its ability to keep trading as a going concern was open to question. In view of this the charity took a number of steps to increase its income and reduce its operating costs.

The Charity was successful in its endeavours and by the 30 September 2019 income from Letting and Hall and other hire had risen to £89,058. By 30 September 2020 this figure had dropped to £71,280, as the full effects of the coronavirus pandemic were felt, resulting in restrictions on Hall hire. The charity was not eligible for any government grants relating to the impact of the pandemic during the period April to September 2020. Nevertheless the Trust still posted a small surplus of £464.

Having regard to the pandemic the Trustees have reviewed the risk of proceeding with the re-modelling of the front garden, to bring it back as far as possible to its state prior to the commencement of the 1st World War. This will be a major project for 2020/21 costing £50K. Earley Poors Charity have agreed to make grant of £19K and having reviewed the risk, the Trustees have agreed to proceed.

The Trustees also keep the potential cost of improvements, planned maintenance and unforeseen repairs under regular review and have adopted a policy of ensuring that the Trust always has a reserve of at least the equivalent of three months' expenditure. Once the current programme of refurbishment and improvements has been completed the Trustees intend to create a 'sinking fund' from their reserves to cover any future major expenditure.

#### **OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT**

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Watlington House is a Grade 2 starred listed building. When threatened with demolition in 1930, public monies were raised and the building was purchased by the National Council of Social Service (now the National Council for Voluntary Service) in 1931 for £1,705 plus expenses, to be run by the Watlington House Management Committee, which was then registered as a charity in its own right. The value of the building now for insurance purposes is £3.5m and it is insured with the Ecclesiastical Insurance Co Ltd.

The Charity was formed to manage and maintain Watlington House for the general benefit of the local community. The house has a number of rooms and a Hall for letting and hire by individuals or organisations in accordance with the standard hiring agreement and the scale of charges adopted for the year. The income from lettings is used to maintain the property.

## WATLINGTON HOUSE

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

On 2 April 2014 the Charity obtained Charity Commission approval to change its constitution. It is now a Charitable Incorporated Organization (CIO). A CIO can acquire land and in July 2016 the Charity acquired the freehold of Watlington House from the National Council for Voluntary Service (NCVO). No consideration was paid.

#### GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

#### FINANCES

The Charity's total funds, excluding investment property, as at 30 September 2020 amounted to £85,757 (£85,291 as at 30 September 2019). In view of the Trust's improved financial position the Trust has embarked on a programme of repair, refurbishment and improvement. During the financial year 2016/17 the roof and exterior of the main building were repaired and refurbished. During the year 2017/18, the Hall was refurbished and extended to provide additional office accommodation. During the year 2018/19 the boundary wall was refurbished and further work was done to the House. During the year of this report an extension programme of repairs, maintenance and painting was undertaken to the windows and doors at the rear of the house. As part of this lister building consent was obtained to replace sash windows. In the forthcoming year 2020/21, as already mentioned in the section on Risk Review, the front garden of the House will be re-modelled, so that it reverts closer to its position prior to the 1st World War. With the completion of this project the Trust will have completed its programme of outstanding repair, refurbishment and maintenance issues, while maintaining a healthy bank balance. All this has been achieved in spite of the adverse economic effects of the coronavirus pandemic. The Trustees are confident, therefore, that the Trust can continue to operate as a going concern.

#### TRUSTEE'S RESPONSIBILITIES STATEMENT

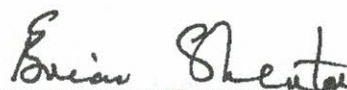
The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This Report was approved by the Trustees on 5th July 2021 and signed on their behalf by:

  
.....  
Canon B Shenton, Chairman

## WATLINGTON HOUSE

### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2020

#### Independent Examiner's Report to the Trustees of Watlington House ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 30 September 2020.

#### Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent Examiner's Statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Alexander Peal

Dated:

22 February 2021

FCA

#### James Cowper Kreston

Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

**WATLINGTON HOUSE**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>				
Charitable activities	2	71,401	71,401	89,058
		71,401	71,401	89,058
<b>Total income</b>				
<b>Expenditure on:</b>				
Charitable activities	3	70,935	70,935	56,824
		70,935	70,935	56,824
<b>Total expenditure</b>				
<b>Net income/(expenditure) before other recognised gains</b>				
		466	466	32,234
<b>Net movement in funds</b>				
		466	466	32,234
<b>Reconciliation of funds:</b>				
Total funds brought forward		3,585,291	3,585,291	3,553,057
Net movement in funds		466	466	32,234
		3,585,757	3,585,757	3,585,291
<b>Total funds carried forward</b>				
		3,585,757	3,585,757	3,585,291

The notes on pages 8 to 14 form part of these financial statements.

**WATLINGTON HOUSE**

**BALANCE SHEET  
AS AT 30 SEPTEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Investment property	6	3,500,000	3,500,000
<b>Current assets</b>			
Cash at bank and in hand		87,121	86,655
		87,121	86,655
Creditors: amounts falling due within one year	7	(1,364)	(1,364)
		85,757	85,291
<b>Net current assets</b>			
		85,757	85,291
<b>Total net assets</b>		3,585,757	3,585,291
<b>Charity funds</b>			
Restricted funds	8	-	-
Unrestricted funds	8	3,585,757	3,585,291
		3,585,757	3,585,291
<b>Total funds</b>		3,585,757	3,585,291

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

  
 .....  
 Canon B Shenton, Chairman

Date: 5th February 2021.

The notes on pages 8 to 14 form part of these financial statements.

**WATLINGTON HOUSE**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	<b>2020</b>	2019
	£	£
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>466</b>	32,254
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>	<b>466</b>	<b>32,254</b>
Cash and cash equivalents at the beginning of the year	<b>86,655</b>	54,401
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	<b>87,121</b>	86,655
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 8 to 14 form part of these financial statements

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Watlington House meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 1.2 Going concern

The Trustees are of the view that the charity has sufficient funds to enable it to continue its activities on a going concern basis for a period of at least 12 months. The trustees believe that financial statements have been prepared appropriately on the going concern basis.

##### 1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

##### 1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

##### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

#### 1. Accounting policies (continued)

##### 1.5 Expenditure (continued)

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations including support costs and costs relating to the governance of the charity apportioned to charitable activities.

##### 1.6 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 1.7 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

##### 1.8 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### 2. Income from charitable activities

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	Total funds 2019 £
Tenant's rent	53,353	<b>53,353</b>	59,051
Hall and other income	18,048	<b>18,048</b>	30,007
	<hr/>	<hr/>	<hr/>
	71,401	<b>71,401</b>	89,058
	<hr/>	<hr/>	<hr/>
Total 2019	89,058	<b>89,058</b>	
	<hr/>	<hr/>	

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**3. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	Total funds 2019 £
Direct costs	70,161	<b>70,161</b>	56,100
Governance costs	774	<b>774</b>	724
	<u>70,935</u>	<u><b>70,935</b></u>	<u>56,824</u>
Total 2019	<u>56,824</u>	<u>56,824</u>	

**4. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>	Total funds 2019 £
Direct costs	70,161	-	<b>70,161</b>	56,100
Governance costs	-	774	<b>774</b>	724
	<u>70,161</u>	<u>774</u>	<u><b>70,935</b></u>	<u>56,824</u>
Total 2019	<u>56,100</u>	<u>724</u>	<u>56,824</u>	

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**4. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Activities 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Caretaking	7,440	<b>7,440</b>	7,440
Rates	5,140	<b>5,140</b>	4,885
Insurance	4,790	<b>4,790</b>	4,728
Light and heat	10,471	<b>10,471</b>	7,681
House expenditure	13,860	<b>13,860</b>	7,219
Repairs and maintenance	19,213	<b>19,213</b>	5,483
House improvements	3,546	<b>3,546</b>	14,187
Water	2,683	<b>2,683</b>	1,551
Cleaning	2,735	<b>2,735</b>	2,819
Sundry	283	<b>283</b>	107
	70,161	<b>70,161</b>	56,100
	70,161	<b>70,161</b>	56,100
Total 2019	56,100	56,100	

**5. Independent examiner's remuneration**

The independent examiner's remuneration amounts to an independent examiner fee of £774 (2019 - £724).

**6. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 October 2019	<b>3,500,000</b>
At 30 September 2020	<b>3,500,000</b>

The freehold investment property was acquired from the National Council for Voluntary Organisations (NCVO) for a peppercorn on 18 July 2016. The freehold property was revalued by the Trustees, on an open market for existing use basis.

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**7. Creditors: Amounts falling due within one year**

	<b>2020</b>	2019
	£	£
Accruals and deferred income	<b>1,364</b>	1,364
	<u><u>1,364</u></u>	<u><u>1,364</u></u>

**8. Statement of funds**

**Statement of funds - current year**

	Balance at 1 October 2019 £	Income £	Expenditure £	Balance at 30 September 2020 £
<b>Unrestricted funds</b>				
Unrestricted funds	85,291	71,401	(70,935)	85,757
Revaluation reserve	3,500,000	-	-	3,500,000
	<u>3,585,291</u>	<u>71,401</u>	<u>(70,935)</u>	<u>3,585,757</u>

**Statement of funds - prior year**

	Balance at 1 October 2018 £	Income £	Expenditure £	Balance at 30 September 2019 £
<b>Unrestricted funds</b>				
Unrestricted funds	53,057	89,058	(56,824)	85,291
Revaluation reserve	3,500,000	-	-	3,500,000
	<u>3,553,057</u>	<u>89,058</u>	<u>(56,824)</u>	<u>3,585,291</u>

**WATLINGTON HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**9. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Investment property	3,500,000	<b>3,500,000</b>
Current assets	87,121	<b>87,121</b>
Creditors due within one year	(1,364)	<b>(1,364)</b>
<b>Total</b>	<b>3,585,757</b>	<b>3,585,757</b>

**Analysis of net assets between funds - prior period**

	Unrestricted funds 2019 £	Total funds 2019 £
Investment property	3,500,000	3,500,000
Current assets	86,655	86,655
Creditors due within one year	(1,364)	(1,364)
<b>Total</b>	<b>3,585,291</b>	<b>3,585,291</b>

**10. Reconciliation of net movement in funds to net cash flow from operating activities**

Net income/(expenditure) for the year (as per Statement of Financial Activities)	<b>466</b>	32,234
<b>Net cash provided by operating activities</b>	<b>466</b>	32,234

**11. Analysis of cash and cash equivalents**

	<b>2020 £</b>	2019 £
Cash in hand	87,121	86,655
<b>Total cash and cash equivalents</b>	<b>87,121</b>	86,655

## WATLINGTON HOUSE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

#### 12. Analysis of changes in net debt

	At 1 October 2019 £	Cash flows £	At 30 September 2020 £
Cash at bank and in hand	86,655	466	87,121
	<u>86,655</u>	<u>466</u>	<u>87,121</u>

#### 13. Related party transactions

During the year, one trustee received payments totalling £2,631 (2019: £NIL) for garden maintenance.

During the year, Berkshire Youth Limited, related by common Trusteeship, paid the charity £11,880 (2019: £11,220) for rent.

During the year, The Mills Archive Trust, related by common Trusteeship, paid the charity £21,691 (2019: £21,691), for rent.

During the year, Reading Civic Society, related by common Trusteeship, paid the charity £140 (2019: NIL), for hall hire.

#### 14. Controlling party

The Charity is under joint control of the Trustees, who oversee all administration and operations that the Charity undertakes.