

REGISTERED COMPANY NUMBER: 09327637 (England and Wales)  
REGISTERED CHARITY NUMBER: 1168947

REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021  
FOR  
WATERMOOR HOUSE R C H

Andorran Limited (Statutory Auditor)  
6 Manor Park Business Centre  
Mackenzie Way  
Cheltenham  
Gloucestershire  
GL51 9TX

**WATERMOOR HOUSE R C H**

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FOR THE YEAR ENDED 31 AUGUST 2021**

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**WATERMOOR HOUSE R C H**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2021**

<b>TRUSTEES</b>	Dr K Badcock J W Lamus Dr S R Owen Earl A C B Bathurst Mrs G M Roberts (resigned 26.4.21) Revd P Light Mrs J Carter
<b>REGISTERED OFFICE</b>	Watermoor House Watermoor Road Cirencester Gloucestershire GL7 1JR
<b>REGISTERED COMPANY NUMBER</b>	09327637 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1168947
<b>AUDITOR</b>	Andorran Limited (Statutory Auditor) 6 Manor Park Business Centre Mackenzie Way Cheltenham Gloucestershire GL51 9TX

**WATERMOOR HOUSE R C H**  
**CHAIR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

This year has been a chastening, humbling year, with many difficulties and sacrifices. However, through a combination of forward planning, tremendous effort and professionalism from our management team and the entire staff body, Watermoor House has fared well across this year given the challenges it presented. Of the very few cases of residents diagnosed with Covid-19, none have been seriously ill, required hospitalisation or passed away.

This is not to say the pandemic has not taken its toll on residents or staff. Residents and their loved ones endured extended periods when we could not welcome them into the Home for visits. Staff have put in many hours of overtime to ensure we could maintain cover without bringing agency staff into the home. We were acutely aware that our job is to safeguard not only physical well-being but emotional well-being of residents and staff as well. In October, our CQC inspection noted that Watermoor House was extremely responsive in meeting the needs of residents and staff.

Extra measures to support residents were put in place. We enhanced remote contact options of each resident's preferred medium, whether video chat, telephone or written, enhanced in-house activities for groups and one-to-one and maintained staff levels to enable staff just to take a little extra time with residents. In December 2020 we converted our summer house into a welcoming, cosy visiting pod to enable Covid-safe visiting for residents, relatives and friends.

Management monitored staff emotional well-being closely and we are extremely proud of the way staff stepped up to support each other, to put in overtime when needed, to adjust to ever-changing rules and regulatory guidance and to maintain high levels of infection control and professionalism with good heart and spirit.

They found time to inject fun and joy into daily routine throughout this difficult year. Our Activities Co-ordinator led religious services with advice and input from our trustee, Reverend Penny Light. The most physically active member of our staff team rose to the challenge of leading age-friendly exercise classes - on many occasions the key activity was full-bodied laughter all round. From December 2020 we were able to take residents out for mystery tours in our new minibus. In the spring we started our After-Supper club, where residents enjoyed gathering for sociable games and tipples of their choice. In the summer, when restrictions allowed, our friends from Mindsong came to lead outdoor/indoor singing.

While we expect the effects of Covid will continue to bring us challenges for at least the coming year, in terms of both financial and operational strength, Watermoor House moves into the year with greater resiliency than the Charity has known for decades. We were especially proud when our Home Manager, Georgina Heley was awarded her Level 7 Masters-equivalent degree in Business Management & Leadership in June.

We are investing in the future by continuing our plans to renew and enhance our facilities and the fabric of our fine building, continuing to invest in developing staff and looking forward to trialling a new telehealth system to provide early warning of residents' health issues.

Finally, we wish to thank residents and their loved ones for all the support they have given us this past year and we look forward with optimism for the coming year with them.



Dr S R Owen - Chair

Date: 29 March 2022



**WATERMOOR HOUSE R C H**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The Company's charitable objectives are to provide care for older people in Gloucestershire. It currently operates a residential home providing a mix of permanent accommodation and respite care for up to 39 elderly residents in appealing and safe surroundings with constant care and attention.

Our short-term aim is to provide most of the requirements to maximise the quality of life for our residents at an affordable cost. Our longer-term goal is to enable us to continue doing so for others like them in the future.

Our strategy to achieve this is to operate efficiently at a viable level of occupancy with well trained staff who carry out their duties in a professional yet friendly manner. Our guiding principle is that our Home is our residents' home.

Watermoor House currently provides accommodation, meals and domestic services, personal care, communal facilities, a wide range of activities and other services to assist residents' daily living in a caring and personal atmosphere. We arrange visits to and from healthcare providers and, unlike many care providers, we make no additional charge for transporting and accompanying residents to hospital and doctor's visits. Pre-pandemic we provided frequent outings, arrangements for hairdressing, chiropody and will do so again when infection controls allow.

In addition to ensuring the smooth running of the Home, the Trustees remain aware of the longer-term changes in the care industry and the need to take appropriate action to remain efficient and continue to provide care at an affordable cost. This year has been an extraordinarily challenging time due to the Covid-19 pandemic. To date, no Watermoor House resident has been seriously ill, required hospitalisation or passed away from Covid.

The Chair's report outlines some of the measures we took to ensure the health and well-being of residents as well as staff throughout this challenging time.

The charitable company is a registered charity. Governance and strategic leadership are provided by the Board of Directors, all of whom are trustees and provide their services as unpaid volunteers.

**Public benefit**

In planning the charitable company's activities, the trustees keep in mind the Charity Commission's guidance on public benefit. Access to the Home is available to all whether it be as one of our permanent residents or respite clients and whether they are self or local authority funded. We have for several years had about a third of our occupied rooms from local authority funded residents, where such fees do not meet the costs of care and are supported from the charity's total income.

Additionally, when infection controls allow, we welcome visitors from the local community on an activity or open day. The focus of the charity's activities during the year, which explains the delivery by the charity of public benefit, is set out below under 'achievement and performance'.

## **WATERMOOR HOUSE R C H**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

Watermoor House RCH subsidises the fees for a significant proportion of residents who are funded by Social Services; at least 30% of residents throughout this year. Additionally, with no discrimination between full fee-paying clients and others, additional special needs such as assisted activities, accompanied transport to medical appointments and special diets are provided at no charge regardless of fee status.

Even through pandemic conditions we have continued to provide a varied and busy activities schedule to meet the needs and interests of all our residents well beyond the levels required for adequate care at no charge regardless of fee status. Due to Covid-19 we have had to rely on in-house provision of activities throughout the current year. Our dedicated, qualified activities coordinator identifies activities to meet the different interests of our residents. Throughout this year she has worked with many of our pre-pandemic external activities partners to adapt activities so that we could continue to provide them purely via in-house delivery.

Our activities have ranged from our regular keep fit sessions, poetry and quiz sessions to the weekly board games morning, to scrabble, crosswords, and our weekly film sessions through to interactive musical entertainments and sing-along sessions. Our special meals, activities and celebrations to mark seasonal holidays have been highlights throughout this year.

This year we have had to suspend our usual outings to garden centres, canal boat trip and other local attractions. Also suspended were our usual arrangements with local schools for regular visits from very young children and our programme of one-to-one befriending relationships with older young volunteers who come in as part of for mutual benefit with the local community. We look forward to being able to resume these when pandemic conditions recede, as well as once again enabling our residents to participate in community activities such as Christmas celebrations in Cirencester, theatre outings and opening Watermoor House to the public for Heritage Day, when visitors can enjoy our historic building.

However, we enhanced our support to residents to follow their individual pursuits and interests within the Home. We provided in-house activities both for socially distanced groups of residents and for individuals with one-to-one support, finding ways to maintain interest and promote mental as well as physical well-being for all residents, including for residents who were bedbound or occasionally room-bound. For those who cannot or choose not to participate in group activities, we provide one-to-one assistance and support. Each resident's birthday is celebrated and we enjoyed several 100th birthday parties this year.

The Board monitors performance across all the Home's endeavours, firstly through monthly House and Business reports to set formats. These routinely monitor and report occupancy, enquiries, staff levels, sickness and agency usage, training, any complaints or reportable incidents, quality audits, financial performance, business and marketing activity.

Additionally, we carry out an annual staff survey and a survey of residents' satisfaction as well as a separate survey on food provision. This year we had additional surveys for all stakeholders regarding Watermoor House's response to the challenges presented by the pandemic. The bimonthly meetings of management with residents normally used to obtain views of residents on an ongoing basis were mostly replaced with regular one-to-one sessions between residents and the Home Manager.

Our financial performance is highly geared to the level of room occupancy. We monitor this as described above and this provides us with an ongoing measure of marketing performance which in a time of natural change in our permanent residents is a measure of the effectiveness of our marketing strategy.



## **WATERMOOR HOUSE R C H**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021**

#### **FINANCIAL REVIEW**

##### **Financial position**

An awareness from 2020 of the need to prepare for a further eighteen months to two years of disruption caused by the Covid 19 pandemic has stood us in good stead.

We had already made the structural and fee changes necessary to enable higher levels of ongoing maintenance to our grade II listed property, whilst also building reserves to cover future more major renovation and improvement projects.

Plans put in place to cover additional costs related to the pandemic were prudent and did not assume significant government support.

Government financial support (£81,553) funded the cost of various measures put in place to ensure infection control, Covid related staff sick pay and staff necessarily furloughed did not impact on our normal financial performance.

The small number of Covid infections that did occur amongst residents and staff were all contained and did not spread.

We were closed to admissions for most of the year, but a very low mortality rate and the continued higher than normal proportion of private residents ensured that income was greater than may have been anticipated in the circumstances.

In addition, although we were already working towards funding non-essential and major renovation works of the building, we continue to move forward cautiously while uncertainties remain regarding financial risks associated with the effects of the pandemic.

All of the above have led to what is a very encouraging financial performance in the financial year - a Net Income of £177,647 for the financial year 2020/21.

However, this should be viewed in the context of delayed expenditure (hopefully major refurbishment of the main bathrooms in 2022), wage and inflationary pressures already building in the system. Similarly to last year we do not anticipate returning to a full year of normal trading until 2023/24, with full catchup on delayed projects possibly stretching into 2024/25.

From a financial perspective, our objective has been to ensure the ongoing viability of the Charity in order to continue to support its users.

This and the safety of our residents has we believe been achieved over the last twelve months and we look forward to improving still further the quality of a residency at Watermoor House.

##### **Investment policy and objectives**

Under the Articles of Association, the Trustees/Directors have the power to invest in any way they think fit. The Trustees have considered the most appropriate policy for investing funds and have found that a balanced portfolio of specialised unit trusts, designed for the charity section, meets their requirements to generate both income and capital growth. The Trustees monitor returns and market changes but still consider this investment portfolio to be the most appropriate strategy for investing the Company's reserves. The balance at 31 August 2021 stood at £15,009.

## **WATERMOOR HOUSE R C H**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021**

#### **FINANCIAL REVIEW**

##### **Reserves policy**

The Trustees have examined the requirement for free reserves, which are those unrestricted funds not invested in fixed assets or designated for specific purposes. The Trustees consider that, as a minimum, they should aim for free reserves of £200,000. Cash at bank and in hand plus investments and net of debtors and creditors now total £319,664 (an increase of £161,988). Overall, this means the charity has now achieved its free reserves target, but must remain cautious as future trading disruption and delayed expenditure indicate that significant contributions to the listed building sinking fund for renovations and improvements are still required.

The investment with COIF Charity Funds is recorded under fixed assets, as the intention is to hold this as a long-term reserve. However, as the funds are unrestricted and readily redeemable the value is included when assessing funds counting towards our free reserves target of £200,000.

During this continuing period of recovery, it is felt that the decision to hold relatively low reserves with COIF and maintain the remaining surplus as cash deposits to support the recovery process is appropriate. As the recovery consolidates and work to secure the fabric of our building proceeds, more of this fund will be transferred to COIF or other appropriate long/medium-term investment portfolio.

This level of reserves is needed for the following reasons:

- 1 to minimise the potential disruption, distress and expense which might be caused to the elderly and infirm residents of the Home in the event of:
  - the need for emergency repairs to the Home resulting in residents being moved away into temporary accommodation; and/or
  - the need for expensive repairs, maintenance and improvements to the Home, which is a Grade II listed property.
- 2 to meet the continuing costs of complying with new and proposed regulation and legislation, and
- 3 to enable the Company's activities to be expanded to meet increasing demands for its services.

#### **FUTURE PLANS**

Plans for the coming year will continue our focus on two main areas: continuous improvement in care delivery and improving financial sustainability. Improvements in care delivery will especially involve our work to develop skills throughout all levels of management and staff to identify trends across many aspects of behaviour and care - not the least, in dementia care - then to spot opportunities, implement and track improvement.

To improve financial sustainability, we will continue actions aimed to reduce the use of agency staff and to maintain high occupancy levels. To do this we are continuing to implement our programme of restructuring staff procedures to improve both efficiency and rates satisfaction of staff members in all departments hand in hand with maintaining and continuing to improve quality of life for our residents. We will continue our more active and targeted marketing activity to help drive occupancy rates.

Additionally, we will continue to work towards our longer term aims of rebuilding our reserves and a planned programme for maintenance of our historic building.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charitable company is limited by guarantee, having no share capital. It is established under a Memorandum of Association, which sets out the objects and powers of the charitable company, and is governed under its Articles of Association, as amended by Special Resolutions dated 20 April 2016 and 11 August 2016 respectively.



## **WATERMOOR HOUSE R C H**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Recruitment and appointment of new trustees**

New Trustees with appropriate life and professional skills are appointed by the members to strengthen the Board for the future good of the Company. Every new Trustee must have an enhanced Disclosure and Barring Service check carried out before taking up appointment and undergoes an induction process.

##### **Organisational structure**

The charity is administered by the Board of Trustees all of whom give their time for no financial reward. There are no standing subcommittees but working committees of Trustees and Officers are appointed as the Board deems necessary on an ad hoc basis. A Home Manager is appointed by the Trustees to manage the day to day operations of the Company. This is supported by a Business and Marketing Manager. To facilitate effective operations they have delegated authority within terms of delegation approved by the Trustees for operational matters including finance, employment, purchasing, compliance with regulations and dealing with residents' needs and requirements.

Decisions concerning the pay and remuneration of key management personnel are made by the Board in conjunction with HR consultants by reference to the salaries paid by other similar local organisations. All pay rates are reviewed annually.

##### **Induction and training of new trustees**

New Trustees undergo a formal process for induction. It aims to familiarise the new member with their legal obligations as well as the workings of Watermoor House and its personnel.

They meet one-to-one with the Chair, other Board members and senior management and are taken on a tour of Watermoor House. They receive a pack of written materials including recent Board papers, the last Annual Report and documents from the CQC and Charity Commission. Through the induction process new trustees are informed of the general operational activities of the Home, financial reporting and the regulatory framework in which the Company operates.

The Company's Board members are updated on the legal requirements for Trustees on an ongoing basis by the Company's Officers.

##### **Risk management**

The charitable company carries out a formal annual risk review procedure and updates its continuity plan in which major risks are identified and brought to the attention of the Board, which then decides the appropriate course of action to avoid the risk, share or transfer it, mitigate or exploit it. These procedures have highlighted risks that might arise through non-compliance in the ever-changing regulatory regime, risks to residents' safety and financial risks. The Board has taken appropriate action in response to them.

With the added help of fundraising, it is the intention to create sufficient reserves in the future to further mitigate financial risks and this policy is reviewed regularly at Board meetings by reference to current management accounts. The Trustees believe that the current free reserves provide enough resources in the event of adverse conditions but are working to increase reserves to ensure additional long-term resilience for the Company.

Regular statutory inspections for Health and Safety, Food and Hygiene, Fire and by the Care Quality Commission are reported through the Officers to the Board and assist in highlighting operational risks.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Watermoor House R C H for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

WATERMOOR HOUSE R C H

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2021

**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

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

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

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

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the Trustees are aware, there is no relevant information of which the Charity's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make them aware of any audit information and to establish that the Charity's auditors are aware of that information.

**AUDITOR**

The auditors, Andorran Limited (Statutory Auditor), will be proposed for re-appointment at the forthcoming Board meeting in April 2022. These financial statements were approved at the same meeting.

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

Approved by order of the board of trustees on 29 March 2022 and signed on its behalf by:



Dr S R Owen - Trustee



## REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF WATERMOOR HOUSE R C H

### Opinion

We have audited the financial statements of Watermoor House R C H (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditor thereon.

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

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

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.



## REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF WATERMOOR HOUSE R C H

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

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that, despite us planning and performing our audit in accordance with auditing standards, one or more material misstatements in the financial statements may have gone undetected by our audit. As with any audit, there is a risk that irregularities and fraud will go undetected where they involve matters such as misrepresentations from management, collusion, deliberate omissions and override of controls. It is not the role of the auditor to prevent non-compliance and we cannot be expected to detect every instance of non-compliance with all laws and regulations.

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

- enquiries of management including a pre audit meeting;
- obtaining and reviewing supporting documentation of policies concerning the laws and regulations applicable to the charitable company's activities;
- understanding how the charitable company complies with its regulatory framework by making enquiries of management ;
- considering the culture inherent in the charitable company and whether this represents a culture of honesty and ethical behaviour with a strong emphasis of detection and prevention of fraud.

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF  
WATERMOOR HOUSE R C H**

**Auditors' responsibilities for the audit of the financial statements - continued**

We assessed the susceptibility of the charitable company's financial statements to material misstatement and considered how fraud might occur. The audit procedures performed included, but were not limited to:

- challenging management assumptions and estimates;
- identifying and testing unusual journal entries;
- assessing how the relevant laws and regulations have been complied with and noting any instances of non compliance;
- reviewing the financial statements for compliance with relevant Accounting Standards and accounting legislation applicable to a charitable company;
- considering how those charged with governance have addressed the possibility of an override of essential controls or other influence over the financial reporting processes.

In addition, we also considered other non financial laws relevant to the charitable company. These do not necessarily have a direct influence on the financial statements but might affect the company's ability to operate.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditor.

**Use of our report**

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



Roger Downes FCA (Senior Statutory Auditor)  
for and on behalf of Andorran Limited (Statutory Auditor)  
6 Manor Park Business Centre  
Mackenzie Way  
Cheltenham  
Gloucestershire  
GL51 9TX

9 May 2022

WATERMOOR HOUSE R C H

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	2,428	9,446	11,874	3,805
<b>Charitable activities</b>	4				
Residential Care		1,469,974	-	1,469,974	1,441,481
Investment income	3	586	-	586	780
Other income	5	57,444	24,109	81,553	58,865
<b>Total</b>		<u>1,530,432</u>	<u>33,555</u>	<u>1,563,987</u>	<u>1,504,931</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	6				
Residential Care		1,377,318	9,022	1,386,340	1,430,407
<b>NET INCOME</b>		<u>153,114</u>	<u>24,533</u>	<u>177,647</u>	<u>74,524</u>
<b>Transfers between funds</b>	19	<u>23,251</u>	<u>(23,251)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>176,365</u>	<u>1,282</u>	<u>177,647</u>	<u>74,524</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		925,108	18,822	943,930	869,406
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>1,101,473</u></u>	<u><u>20,104</u></u>	<u><u>1,121,577</u></u>	<u><u>943,930</u></u>

The notes form part of these financial statements



**WATERMOOR HOUSE R C H**  
**STATEMENT OF FINANCIAL POSITION**  
**31 AUGUST 2021**

	Notes	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	13	792,950	4,515	797,465	781,077
Investments	14	15,009	-	15,009	15,009
		<hr/>	<hr/>	<hr/>	<hr/>
		807,959	4,515	812,474	796,086
<b>CURRENT ASSETS</b>					
Stocks	15	4,448	-	4,448	5,177
Debtors	16	33,315	-	33,315	26,635
Cash at bank and in hand		317,947	15,589	333,536	180,116
		<hr/>	<hr/>	<hr/>	<hr/>
		355,710	15,589	371,299	211,928
<b>CREDITORS</b>					
Amounts falling due within one year	17	(62,196)	-	(62,196)	(64,084)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		293,514	15,589	309,103	147,844
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,101,473	20,104	1,121,577	943,930
		<hr/>	<hr/>	<hr/>	<hr/>
<b>NET ASSETS</b>		1,101,473	20,104	1,121,577	943,930
		<hr/>	<hr/>	<hr/>	<hr/>
<b>FUNDS</b>	19				
Unrestricted funds				1,101,473	925,108
Restricted funds				20,104	18,822
				<hr/>	<hr/>
<b>TOTAL FUNDS</b>				1,121,577	943,930
				<hr/>	<hr/>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 29 March 2022 and were signed on its behalf by:

  
 S R Owen - Trustee

**WATERMOOR HOUSE R C H**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	31.8.21 £	31.8.20 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	189,066	67,047
Net cash provided by operating activities		<u>189,066</u>	<u>67,047</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(38,482)	(35,597)
Sale of tangible fixed assets		2,250	-
Interest received		145	293
Dividends received		441	487
Net cash used in investing activities		<u>(35,646)</u>	<u>(34,817)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>153,420</u>	<u>32,230</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>180,116</u>	<u>147,886</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>333,536</u></u>	<u><u>180,116</u></u>

The notes form part of these financial statements



WATERMOOR HOUSE R C H

**NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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

	31.8.21 £	31.8.20 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	177,647	74,524
<b>Adjustments for:</b>		
Depreciation charges	17,729	11,742
Loss on disposal of fixed assets	2,115	937
Interest received	(145)	(293)
Dividends received	(441)	(487)
Decrease/(increase) in stocks	729	(447)
Increase in debtors	(6,680)	(8,018)
Decrease in creditors	(1,888)	(10,911)
<b>Net cash provided by operations</b>	<u>189,066</u>	<u>67,047</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.9.20 £	Cash flow £	At 31.8.21 £
<b>Net cash</b>			
Cash at bank and in hand	180,116	153,420	333,536
	<u>180,116</u>	<u>153,420</u>	<u>333,536</u>
<b>Total</b>	<u>180,116</u>	<u>153,420</u>	<u>333,536</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

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

**Going Concern**

Given the ongoing, though slightly reduced, financial impact of the pandemic, building inflationary pressures and staffing issues within the care sector, the directors have looked forward twelve months and arranged a strategy meeting for early 2022, with a view to ensuring we have appropriate plans in place to take us forward over the next five years.

We are confident that our net current assets of £309,103 and plans for 2021/2022 are such that we are now achieving the financial stability we are working towards.

These funds and our planned surplus for 2022/2023 will enable us to work steadily to improve our facilities in order to satisfy changes to legislation and resident expectations, whilst still building the reserves necessary to fund major renovation projects when the time is appropriate.

As a result of our evaluation of future performance and the actions we are taking, we are confident in the ongoing success of the Charitable Company as a going concern and have prepared the financial statements on that basis.

**Critical accounting judgements and key sources of estimation uncertainty**

Preparation of the financial statements requires management to make significant judgements and estimates. The items within the financial statements where these judgements and estimates have been made are:

Depreciation:

Write down of the value of tangible fixed assets over their expected useful lives.

Depreciation has not been provided on the freehold buildings as the Trustees conduct an annual review of the local property market for comparable buildings and consider that the residual value will exceed the book value at the reporting date.

**Income**

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

Invoices are raised in advance on the 1st of the month for every resident's monthly care fees. Income is recognised in the financial statements at the point of invoicing.

Donations and legacies are included in the year in which they are receivable, which is when the charity becomes entitled to the resource. In accordance with this policy, legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Investment income is included in the year in which it is receivable.

## WATERMOOR HOUSE R C H

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

#### 1. ACCOUNTING POLICIES - continued

##### Income

Rental income from the letting of the non-investment property is payable in advance per calendar month. Although 'The Lodge' is let on a short term lease for rental income, the primary purpose of the property is to support the charitable activities of the charitable company and the intention that it is kept available for a supported living house. The Lodge is located within the grounds of Watermoor House and has no separate legal title to that of Watermoor House filed with Land Registry.

##### Expenditure

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

##### Tangible fixed assets

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

Fixtures, fittings & equipment	- 10% on reducing balance
Minibus	- 25% on reducing balance

Depreciation has not been provided on the freehold buildings as the Trustees conduct an annual review of the local property market for comparable buildings and consider that the residual value will exceed the book value. No depreciation is provided on freehold land.

Tangible fixed assets are capitalised when they are initially acquired by the Charity. Subsequent expenditure on tangible fixed assets is written off to the Statement of Financial Activities unless it replaces or restores a specifically-identified component within the fixed asset or enhances the asset. Assets individually costing under £1,000 are written off to the Statement of Financial Activities.

##### Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

##### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### Taxation

The Charity benefits from rates relief and is exempt from corporation tax on its charitable activities. It is not, however, exempt from VAT and irrecoverable VAT is included in the cost of those items to which it relates.

##### Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

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



WATERMOOR HOUSE R C H

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**1. ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

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

**2. DONATIONS AND LEGACIES**

	31.8.21	31.8.20
	£	£
Donations	11,874	3,805

**3. INVESTMENT INCOME**

	31.8.21	31.8.20
	£	£
Income from unlisted investments	441	487
Deposit account interest	145	293
	<u>586</u>	<u>780</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

		31.8.21	31.8.20
	Activity	£	£
Received from residents	Residential Care	1,134,000	1,161,333
Received from Local Authority	Residential Care	327,574	261,788
Income from Lodge	Residential Care	8,400	8,360
Grants	Residential Care	-	10,000
		<u>1,469,974</u>	<u>1,441,481</u>

Funding from the Local Authority is received in respect to those residents who have satisfied the relevant means tests.

Grants received, included in the above, are as follows:

	31.8.21	31.8.20
	£	£
Big Lottery	-	10,000

**5. OTHER INCOME**

	31.8.21	31.8.20
	£	£
Government grants	<u>81,553</u>	<u>58,865</u>

**WATERMOOR HOUSE R C H**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**5. OTHER INCOME - continued**

	31.8.21 £	31.8.20 £
Infection Control Grant	45,660	38,100
Rapid testing fund	24,109	-
Coronavirus Job Retention Scheme	8,784	13,279
Care home visiting grant	3,000	-
Coronavirus Community Support Fund	-	5,472
Coronavirus Statutory Sick Pay Rebate Scheme	-	2,014
	<u>81,553</u>	<u>58,865</u>

All government grants included above for the year to 31 August 2021, with the exception of the Coronavirus Job Retention Scheme grant, were received from Gloucestershire County Council.

**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
Residential Care	<u>1,379,590</u>	<u>6,750</u>	<u>1,386,340</u>

**7. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	31.8.21 £	31.8.20 £
Staff costs	1,035,419	1,095,195
Subscriptions and registration fees	6,079	5,779
Light and heat	29,942	31,636
Postage, stationery, advertising, telephone and sundries	48,478	56,722
Equipment rental and maintenance	40,395	35,226
Other house expenses	37,206	41,852
Food	84,630	82,907
Property maintenance & repairs	65,463	49,107
Other property expenses	10,960	9,068
Accountancy & payroll	420	3,300
Bad debts	94	12
Motor vehicle expenses	660	-
Depreciation	17,729	11,742
Loss on sale of assets	2,115	937
	<u>1,379,590</u>	<u>1,423,483</u>

WATERMOOR HOUSE R C H

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021

**8. SUPPORT COSTS**

	Governance costs £
Residential Care	6,750
	<u>6,750</u>

Support costs, included in the above, are as follows:

	31.8.21 Residential Care £	31.8.20 Total activities £
Auditors' remuneration	6,750	6,924
	<u>6,750</u>	<u>6,924</u>

**9. NET INCOME/(EXPENDITURE)**

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

	31.8.21 £	31.8.20 £
Auditors' remuneration	6,750	6,924
Depreciation - owned assets	17,729	11,742
Deficit on disposal of fixed assets	2,115	937
	<u>2,115</u>	<u>937</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

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

**Trustees' expenses**

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

**11. STAFF COSTS**

	31.8.21 £	31.8.20 £
Wages and salaries	952,191	1,008,258
Social security costs	64,900	65,344
Other pension costs	18,328	21,593
	<u>1,035,419</u>	<u>1,095,195</u>

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

	31.8.21	31.8.20
Administration	5	5
Support	48	48
	<u>53</u>	<u>53</u>

No employees received emoluments in excess of £60,000.



WATERMOOR HOUSE R C H

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**11. STAFF COSTS - continued**

The key management personnel of the charity comprise the Home Manager, Deputy Home Manager, Business and Marketing Manager, Finance Officer and Administrator. The total cost to the charity of the key management personnel was £146,643 (2020: £136,443).

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	-	3,805	3,805
<b>Charitable activities</b>			
Residential Care	1,431,481	10,000	1,441,481
Investment income	780	-	780
Other income	58,865	-	58,865
<b>Total</b>	1,491,126	13,805	1,504,931
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Residential Care	1,429,499	908	1,430,407
<b>NET INCOME</b>	61,627	12,897	74,524
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	863,481	5,925	869,406
<b>TOTAL FUNDS CARRIED FORWARD</b>	925,108	18,822	943,930

WATERMOOR HOUSE R C H

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**13. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures, fittings & equipment £	Minibus £	Totals £
<b>COST</b>				
At 1 September 2020	675,393	234,252	13,500	923,145
Additions	-	13,487	24,995	38,482
Disposals	-	(10,549)	(13,500)	(24,049)
At 31 August 2021	<u>675,393</u>	<u>237,190</u>	<u>24,995</u>	<u>937,578</u>
<b>DEPRECIATION</b>				
At 1 September 2020	-	128,568	13,500	142,068
Charge for year	-	11,480	6,249	17,729
Eliminated on disposal	-	(6,184)	(13,500)	(19,684)
At 31 August 2021	<u>-</u>	<u>133,864</u>	<u>6,249</u>	<u>140,113</u>
<b>NET BOOK VALUE</b>				
At 31 August 2021	<u>675,393</u>	<u>103,326</u>	<u>18,746</u>	<u>797,465</u>
At 31 August 2020	<u>675,393</u>	<u>105,684</u>	<u>-</u>	<u>781,077</u>

The Board have considered the value of the property at 31 August 2021. Although no formal, external professional valuation has been obtained, they have conducted a property benchmarking pricing exercise by reviewing comparable properties in the local area. Following that internal review, the Board are satisfied that the residual value of the freehold property exceeds the above cost and accordingly no depreciation charge is deemed necessary. The Board will conduct this annual review at the end of every subsequent reporting period.

**14. FIXED ASSET INVESTMENTS**

	Unlisted investments £
<b>MARKET VALUE</b>	
At 1 September 2020 and 31 August 2021	<u>15,009</u>
<b>NET BOOK VALUE</b>	
At 31 August 2021	<u>15,009</u>
At 31 August 2020	<u>15,009</u>

There were no investment assets outside the UK.

WATERMOOR HOUSE R C H

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021

**15. STOCKS**

	31.8.21	31.8.20
	£	£
Kitchen and housekeeping stocks	4,448	5,177
	<u>4,448</u>	<u>5,177</u>

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.8.21	31.8.20
	£	£
Trade debtors	18,342	5,935
Other debtors	1,932	7,286
Prepayments and accrued income	13,041	13,414
	<u>33,315</u>	<u>26,635</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.8.21	31.8.20
	£	£
Creditors for operating activities	17,151	27,788
Social security and other taxes	37,989	24,616
Accrued expenses	7,056	11,680
	<u>62,196</u>	<u>64,084</u>

**18. LEASING AGREEMENTS**

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

	31.8.21	31.8.20
	£	£
Within one year	6,270	8,788
Between one and five years	2,179	11,050
	<u>8,449</u>	<u>19,838</u>

**19. MOVEMENT IN FUNDS**

	At 1.9.20	Net movement in funds	Transfers between funds	At 31.8.21
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	885,691	153,114	(37,332)	1,001,473
Major projects and improvement	39,417	-	60,583	100,000
	<u>925,108</u>	<u>153,114</u>	<u>23,251</u>	<u>1,101,473</u>
<b>Restricted funds</b>				
Dining room renovations	5,017	(502)	-	4,515
Minibus	13,805	9,446	(23,251)	-
Rapid testing	-	15,589	-	15,589
	<u>18,822</u>	<u>24,533</u>	<u>(23,251)</u>	<u>20,104</u>
<b>TOTAL FUNDS</b>	<u>943,930</u>	<u>177,647</u>	<u>-</u>	<u>1,121,577</u>

WATERMOOR HOUSE R C H

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**19. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,530,432	(1,377,318)	153,114
<b>Restricted funds</b>			
Dining room renovations	-	(502)	(502)
Minibus	9,446	-	9,446
Rapid testing	24,109	(8,520)	15,589
	<u>33,555</u>	<u>(9,022)</u>	<u>24,533</u>
<b>TOTAL FUNDS</b>	<u>1,563,987</u>	<u>(1,386,340)</u>	<u>177,647</u>

**Comparatives for movement in funds**

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
<b>Unrestricted funds</b>			
General fund	798,282	87,409	885,691
Major projects and improvement	65,199	(25,782)	39,417
	<u>863,481</u>	<u>61,627</u>	<u>925,108</u>
<b>Restricted funds</b>			
Dining room renovations	5,925	(908)	5,017
Minibus	-	13,805	13,805
	<u>5,925</u>	<u>12,897</u>	<u>18,822</u>
<b>TOTAL FUNDS</b>	<u>869,406</u>	<u>74,524</u>	<u>943,930</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,491,126	(1,403,717)	87,409
Major projects and improvement	-	(25,782)	(25,782)
	<u>1,491,126</u>	<u>(1,429,499)</u>	<u>61,627</u>
<b>Restricted funds</b>			
Dining room renovations	-	(908)	(908)
Minibus	13,805	-	13,805
	<u>13,805</u>	<u>(908)</u>	<u>12,897</u>
<b>TOTAL FUNDS</b>	<u>1,504,931</u>	<u>(1,430,407)</u>	<u>74,524</u>



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021

**19. MOVEMENT IN FUNDS - continued**

**Purposes of designated fund - Major projects and improvement**

Donation received from UBS DAF I & S Owen Charitable Foundation to be used primarily for major projects, and improvements to the fabric of the building and to help ensure the ongoing viability of the Charity, as opposed to day-to-day running costs.

**Purposes of restricted fund - Dining room renovations**

Grant awarded by Mrs K.D. Winstone Trust to provide funding for the renovation of the residents dining room and the patio garden adjacent to the dining room.

**Purposes of restricted fund - Minibus**

Funding received from various donors and grant providers including Big Lottery towards the cost of a new Minibus for The House. The balance was transferred to unrestricted funds when the minibus was purchased and made available for general use throughout the charity.

**Purposes of restricted fund - Rapid testing**

The fund was instigated to support the rollout of lateral flow device ("LFD") testing in care homes. Gloucestershire County Council distribute and allocate the fund on behalf of the Department of Health & Social Care primarily based on the number of beds in the care home. The main purpose of the Rapid testing fund is to support care homes with additional support for the rapid testing of staff, to support visiting professionals and enable close contact resident visiting indoors where possible.

**Transfers between funds**

Transfers are made between restricted and unrestricted funds at the end of every accounting period in cases where:

- (i) The activity of the restricted fund has come to an end and there is an unspent balance that is not repayable to the funder (s), when the surplus is transferred to unrestricted funds;
- (ii) the restricted fund is in deficit and has either come to an end or there is no prospect of a surplus in a later period, which the deficit is eliminated by transfer from unrestricted funds: and
- (iii) to transfer the value of tangible fixed assets from restricted to unrestricted funds when the asset has been purchased from a restricted fund donation but is held for a general and not a restricted purpose.

**20. CONTINGENT LIABILITIES**

Various funders retain the right to claw back grants should the use of funds not be in accordance with the terms of the grant. In the opinion of the trustees no such liability exists at the year-end.

**WATERMOOR HOUSE R C H**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**21. CAPITAL COMMITMENTS**

	31.8.21	31.8.20
	£	£
Contracted but not provided for in the financial statements	9,940	-
	<u>9,940</u>	<u>-</u>

**22. RELATED PARTY DISCLOSURES**

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