

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

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022
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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WATERMOOR HOUSE R C H

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2022**

TRUSTEES	Dr K Badcock J W Lamus Dr S R Owen Earl A C B Bathurst Revd P Light Mrs J Carter
REGISTERED OFFICE	Watermoor House Watermoor Road Cirencester Gloucestershire GL7 1JR
REGISTERED COMPANY NUMBER	09327637 (England and Wales)
REGISTERED CHARITY NUMBER	1168947
AUDITOR	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 2022

Covid-19 continued to dominate and drive Watermoor House events and performance throughout this year. In the earlier part, although the nation outside Watermoor House was emerging, regulations and restrictions persisted to protect our residents, who are in the category of those especially vulnerable to the effects of Covid-19. In the second half of the year, as restrictions loosened residents were able to see relatives more, but the tail end effects of the pandemic were very much present. We remain proud of our Covid-19 record in that we have still not had any residents hospitalised or passing away due to Covid-19.

However, as the Home and society at large emerged towards more normal socialising routines, cases of Covid-19 within the Home increased, albeit with only mild symptoms largely due to receipt of the vaccines. Regulation required re-introduction of short periods of renewed restrictions each time two or more cases emerged within the Home, straining our staff and resources and imposing unpleasant restrictions on residents.

The strain on staff took its toll, with an unprecedented number of Watermoor House staff leaving for jobs outside the residential care sector. Amongst the staff losses this year was the resignation of our highly regarded, much-loved Home Manager, who has left for a well-earned rest from residential care management. We wish her well in her new path and extend our thanks for all she has done for Watermoor House. This trend was not unique to Watermoor House but present throughout the care sector. We have bolstered our recruitment channels and made other responses to increase staff recruitment and are starting to see numbers increase again, although this remains an area of concern for us.

We are not complacent, but we are extremely proud of the successes our staff and management have achieved keeping residents healthy, cheerful and interested in life. We recognise the marvellous work of all our staff pulling together to support each other and residents.

Some examples of how we have kept spirits up and looked after the emotional, physical and intellectual wellbeing of residents include 1-to-1 in-room activity sessions, scrapbook making recalling old memories and recording new ones, hands-on help to create our new sensory garden, celebrating the Queen's Platinum Jubilee, regular topical discussion groups, garden sing-alongs with MindSong, creating Christmas decorations for residents rooms and Christmas table decorations, Easter-themed in-house activities including our wooden egg painting and special Easter tea party, adapted yet lively in-house physical activity sessions, evening games & tippie club.

The programme of renovation and redecoration to our Georgian building resumed post Covid-lockdowns, starting planning for upgrading bathrooms throughout the Home, renovating the main residents' lounge and major renovations required for the upkeep of our building interior and exterior.

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: 02 May 2023

WATERMOOR HOUSE R C H

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

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 2022. 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. The effects of the pandemic continue to affect our financial performance. 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, or, when infection controls allow, as a visitor 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 2022

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 for most 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 adapted to suit all ability levels, discussion, poetry and quiz sessions to the weekly board games morning, to scrabble, crosswords, card games and our weekly film sessions through to painting, interactive musical entertainments and sing-along sessions. Our special meals, activities and celebrations to mark seasonal holidays have been highlights throughout this year.

Subject to the varying Covid restrictions across the year, we for provided in-house activities both for 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 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 and more than 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, report and track 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.. The bimonthly meetings of management with residents normally used to obtain views of residents on an ongoing basis were 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 2022

FINANCIAL REVIEW

Financial position

Watermoor House RCH was extremely fortunate during the last financial year and during the first four months of this, in that staff loyalty and dedication through the most stringent period of Covid restrictions resulted in high standards of health for our residents and very low staff turnover. However, as Covid restrictions were eased Covid outbreaks, although no longer life threatening, became more frequent. This, through ever changing infection control procedures as we moved in and out of outbreak status, put further pressures on staff at a time when global issues were also beginning to exert further pressures on their domestic situations. This pressure resulted in a number of staff deciding to leave the care sector for work in jobs that did not carry the same pressures that are associated in caring for vulnerable adults.

At the same time, we saw a number of employers (e.g. local supermarkets) increasing rates of pay significantly, in order to combat the national labour shortage. This situation made it very difficult to recruit staff in the care sector generally and Watermoor House was no exception in having a number of vacancies it could not fill. This, in turn forced us to put a hold on taking new residents as through carer to resident ratios, meant we would not have been able to maintain standards of care at a sufficiently high level to guarantee the welfare of residents.

Since financial viability in the care sector is largely driven by achieving high levels of occupancy our reduced level of occupancy, driven by both staff vacancies and not being able to take new residents during an outbreak, the ongoing government support was essential to our not having to dip significantly into our reserves.

In our report last year we anticipated core trading returning to normal during 2023/24 with project work being impacted into 2024/25. In respect of Covid this continues to be our view, however, additional global events are putting additional pressure on staff recruitment and cost inflation.

During the year (2021/22) we took a number of steps, such as bringing forward the annual staff increase, revising that award again at the normal review date and ensuring staff received support to cope with the pressure they were under to help alleviate the situation.

With all the measures taken, grants from government and careful management of non-fixed costs the adverse financial impact on reserves was just -£5k.

An extremely difficult trading year, that will be followed by an even more difficult year as government Covid support for the care sector is withdrawn.

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 sector, 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 2022 stood at £15,009.

WATERMOOR HOUSE R C H

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

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 £325,827 (an increase of £6,163). Overall, this means the charity has now achieved its free reserves target, but must remain extremely cautious as continued trading disruption due to the global socioeconomic disruption and delayed expenditure indicate that significant contributions to the listed building sinking fund for renovations and improvements will still be 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 be driven by the ongoing tail effects from the pandemic and the volatile broader economic climate. We will be focusing on building staff numbers in order to rebuild occupancy on the one hand and continuous improvement in care delivery on the other. As part of this we plan to increase the range and frequency of our residents' activity programme, transform a bathroom on each floor into a wet room to meet the changing needs of our resident population and continue our programme of renovation and redecoration to our Georgian building as funds soundly permit.

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.

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.

WATERMOOR HOUSE R C H
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

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).

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.

WATERMOOR HOUSE R C H
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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 2 May 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'S R Owen', written in a cursive style.

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 2022 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 2022 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. 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

Date: 09 May 2023

WATERMOOR HOUSE R C H

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Unrestricted funds £	Restricted funds £	31.8.22 Total funds £	31.8.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	1,111	-	1,111	11,874
Charitable activities	5				
Residential Care		1,297,937	-	1,297,937	1,469,974
Investment income	4	396	-	396	586
Other income	6	35,310	29,732	65,042	81,553
Total		<u>1,334,754</u>	<u>29,732</u>	<u>1,364,486</u>	<u>1,563,987</u>
EXPENDITURE ON					
Charitable activities	7				
Residential Care		<u>1,320,577</u>	<u>49,369</u>	<u>1,369,946</u>	<u>1,386,340</u>
NET INCOME/(EXPENDITURE)					
Transfers between funds	20	14,177 (3,597)	(19,637) 3,597	(5,460) -	177,647 -
Net movement in funds		<u>10,580</u>	<u>(16,040)</u>	<u>(5,460)</u>	<u>177,647</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		1,101,473	20,104	1,121,577	943,930
TOTAL FUNDS CARRIED FORWARD		<u><u>1,112,053</u></u>	<u><u>4,064</u></u>	<u><u>1,116,117</u></u>	<u><u>1,121,577</u></u>

The notes form part of these financial statements

WATERMOOR HOUSE R C H

**STATEMENT OF FINANCIAL POSITION
31 AUGUST 2022**

	Notes	Unrestricted funds £	Restricted funds £	31.8.22 Total funds £	31.8.21 Total funds £
FIXED ASSETS					
Tangible assets	14	780,398	4,064	784,462	797,465
Investments	15	15,009	-	15,009	15,009
		<u>795,407</u>	<u>4,064</u>	<u>799,471</u>	<u>812,474</u>
CURRENT ASSETS					
Stocks	16	5,828	-	5,828	4,448
Debtors	17	50,751	-	50,751	33,315
Cash at bank and in hand		306,434	-	306,434	333,536
		<u>363,013</u>	<u>-</u>	<u>363,013</u>	<u>371,299</u>
CREDITORS					
Amounts falling due within one year	18	(46,367)	-	(46,367)	(62,196)
NET CURRENT ASSETS		<u>316,646</u>	<u>-</u>	<u>316,646</u>	<u>309,103</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,112,053</u>	<u>4,064</u>	<u>1,116,117</u>	<u>1,121,577</u>
NET ASSETS		<u>1,112,053</u>	<u>4,064</u>	<u>1,116,117</u>	<u>1,121,577</u>
FUNDS	20				
Unrestricted funds				1,112,053	1,101,473
Restricted funds				4,064	20,104
TOTAL FUNDS				<u>1,116,117</u>	<u>1,121,577</u>

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 2 May 2023 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 2022

	Notes	31.8.22 £	31.8.21 £
Cash flows from operating activities			
Cash generated from operations	1	(25,482)	189,066
Net cash (used in)/provided by operating activities		<u>(25,482)</u>	<u>189,066</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,016)	(38,482)
Sale of tangible fixed assets		-	2,250
Interest received		1	145
Dividends received		395	441
Net cash used in investing activities		<u>(1,620)</u>	<u>(35,646)</u>
Change in cash and cash equivalents in the reporting period		<u>(27,102)</u>	<u>153,420</u>
Cash and cash equivalents at the beginning of the reporting period		<u>333,536</u>	<u>180,116</u>
Cash and cash equivalents at the end of the reporting period		<u><u>306,434</u></u>	<u><u>333,536</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 2022**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.8.22 £	31.8.21 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(5,460)	177,647
Adjustments for:		
Depreciation charges	15,019	17,729
Loss on disposal of fixed assets	-	2,115
Interest received	(1)	(145)
Dividends received	(395)	(441)
(Increase)/decrease in stocks	(1,380)	729
Increase in debtors	(17,436)	(6,680)
Decrease in creditors	(15,829)	(1,888)
Net cash (used in)/provided by operations	<u>(25,482)</u>	<u>189,066</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.21 £	Cash flow £	At 31.8.22 £
Net cash			
Cash at bank and in hand	333,536	(27,102)	306,434
	<u>333,536</u>	<u>(27,102)</u>	<u>306,434</u>
Total	<u>333,536</u>	<u>(27,102)</u>	<u>306,434</u>

The notes form part of these financial statements

WATERMOOR HOUSE R C H

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1. STATUTORY INFORMATION

Watermoor House RCH is a company limited by guarantee (registered number: 09327637 England and Wales) and a Charity registered with the Charity Commission in England and Wales (number: 1168947). Its registered address is Watermoor House, Watermoor Road, Cirencester, Gloucestershire, GL7 1JR.

2. 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

Managing the care and financial impact of Covid has been a fairly long-term task and we are measuring our performance accordingly. During the first year we fared extremely well, thanks to our dedicated team and swift & effective implementation of infection controls.

Our performance saw positive net movement in funds of £74k, 2019/20 and £177k in 2020/21 followed by an adverse movement of £5k in 2021/22. However, the sting in the Covid tail and the impact of global events on staff recruitment and cost inflation for 2022/23 is likely to see an overall deficit of £100k.

Our long-term approach to measuring our performance during this period of, in recent times, unprecedented socioeconomic difficulties, continues to confirm our confidence in the long-term viability of the business. During the four years 2019/20 - 2022/23 we anticipate the net movement on funds as +£146k. In 2023/24 a return to something close to normal trading will see a trading surplus between £10k-£59k.

Whilst acknowledging that this would not have been possible without government support, we are confident that our underlying business model for resident fees, cost management and ensuring resident welfare (always at the heart of all we do) has enabled us to survive the storm and will stand us in good stead as we go forward.

There are no material uncertainties about the Charitable Company's ability to continue as a going concern.

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.

WATERMOOR HOUSE R C H

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

2. ACCOUNTING POLICIES - continued

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.

Residential care

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

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

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

Other income

Other income comprises rental income and government grants.

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.

Grants, including government grants, are recognised when the Charity is entitled to receipt. Where entitlement occurs before the income is received, the income is accrued.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022

2. ACCOUNTING POLICIES - continued

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.

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.

Financial instruments

The Charity only has financial assets and 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.

Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash and 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.

Liabilities

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.

WATERMOOR HOUSE R C H

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

3. DONATIONS AND LEGACIES

	31.8.22	31.8.21
	£	£
Donations	1,111	11,874
	<u> </u>	<u> </u>

4. INVESTMENT INCOME

	31.8.22	31.8.21
	£	£
Income from unlisted investments	395	441
Deposit account interest	1	145
	<u> </u>	<u> </u>
	396	586
	<u> </u>	<u> </u>

5. INCOME FROM CHARITABLE ACTIVITIES

		31.8.22	31.8.21
	Activity	£	£
Received from residents	Residential Care	979,170	1,134,000
Received from Local Authority	Residential Care	310,147	327,574
Income from Lodge	Residential Care	8,620	8,400
		<u> </u>	<u> </u>
		1,297,937	1,469,974
		<u> </u>	<u> </u>

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

6. OTHER INCOME

	31.8.22	31.8.21
	£	£
Government grants	65,042	81,553
	<u> </u>	<u> </u>
	31.8.22	31.8.21
	£	£
Infection Control Grant	33,623	45,660
Workforce recruitment and retention fund	21,185	-
Rapid testing fund	8,547	24,109
Omicron support fund	1,687	-
Coronavirus Job Retention Scheme	-	8,784
Care home visiting grant	-	3,000
	<u> </u>	<u> </u>
	65,042	81,553
	<u> </u>	<u> </u>

All government grants included above for the year to 31 August 2022 were received from Gloucestershire County Council.

WATERMOOR HOUSE R C H

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Residential Care	1,363,166	6,780	1,369,946

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.8.22	31.8.21
	£	£
Staff costs	1,031,388	1,035,419
Subscriptions and registration fees	6,079	6,079
Light and heat	15,540	29,942
Postage, stationery, advertising, telephone and sundries	58,777	48,478
Equipment rental and maintenance	40,753	40,395
Other house expenses	36,932	37,206
Food	87,017	84,630
Property maintenance & repairs	55,432	65,463
Other property expenses	12,765	10,960
Accountancy & payroll	2,904	420
Bad debts	240	94
Motor vehicle expenses	320	660
Depreciation	15,019	17,729
Loss on sale of assets	-	2,115
	<u>1,363,166</u>	<u>1,379,590</u>

9. SUPPORT COSTS

	Governance costs £
Residential Care	<u>6,780</u>

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

	31.8.22	31.8.21
	Residential Care	Total activities
	£	£
Auditors' remuneration	<u>6,780</u>	<u>6,750</u>

10. NET INCOME/(EXPENDITURE)

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

	31.8.22	31.8.21
	£	£
Auditors' remuneration	6,780	6,750
Depreciation - owned assets	15,019	17,729
Deficit on disposal of fixed assets	<u>-</u>	<u>2,115</u>

WATERMOOR HOUSE R C H

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2022 nor for the year ended 31 August 2021.

12. STAFF COSTS

	31.8.22	31.8.21
	£	£
Wages and salaries	943,656	952,191
Social security costs	66,964	64,900
Other pension costs	20,768	18,328
	<u>1,031,388</u>	<u>1,035,419</u>

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

	31.8.22	31.8.21
Administration	5	5
Support	45	48
	<u>50</u>	<u>53</u>

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

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 £164,526 (2021: £146,643).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2,428	9,446	11,874
Charitable activities			
Residential Care	1,469,974	-	1,469,974
Investment income	586	-	586
Other income	57,444	24,109	81,553
Total	<u>1,530,432</u>	<u>33,555</u>	<u>1,563,987</u>
EXPENDITURE ON			
Charitable activities			
Residential Care	1,377,318	9,022	1,386,340
NET INCOME	153,114	24,533	177,647
Transfers between funds	23,251	(23,251)	-

WATERMOOR HOUSE R C H

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Net movement in funds	176,365	1,282	177,647
RECONCILIATION OF FUNDS			
Total funds brought forward	925,108	18,822	943,930
TOTAL FUNDS CARRIED FORWARD	<u>1,101,473</u>	<u>20,104</u>	<u>1,121,577</u>

14. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures, fittings & equipment £	Minibus £	Totals £
COST				
At 1 September 2021	675,393	237,190	24,995	937,578
Additions	-	2,016	-	2,016
At 31 August 2022	<u>675,393</u>	<u>239,206</u>	<u>24,995</u>	<u>939,594</u>
DEPRECIATION				
At 1 September 2021	-	133,864	6,249	140,113
Charge for year	-	10,332	4,687	15,019
At 31 August 2022	<u>-</u>	<u>144,196</u>	<u>10,936</u>	<u>155,132</u>
NET BOOK VALUE				
At 31 August 2022	<u>675,393</u>	<u>95,010</u>	<u>14,059</u>	<u>784,462</u>
At 31 August 2021	<u>675,393</u>	<u>103,326</u>	<u>18,746</u>	<u>797,465</u>

The Board have considered the value of the property at 31 August 2022. 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.

15. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 September 2021 and 31 August 2022	<u>15,009</u>
NET BOOK VALUE	
At 31 August 2022	<u>15,009</u>
At 31 August 2021	<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 2022

15. FIXED ASSET INVESTMENTS - continued

Financial instruments

Financial assets measured at fair value are comprised wholly of the listed investments above.

16. STOCKS

	31.8.22	31.8.21
	£	£
Kitchen and housekeeping stocks	5,828	4,448
	<u>5,828</u>	<u>4,448</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.22	31.8.21
	£	£
Trade debtors	34,172	18,342
Other debtors	-	1,932
Prepayments and accrued income	16,579	13,041
	<u>50,751</u>	<u>33,315</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.22	31.8.21
	£	£
Creditors for operating activities	19,253	17,151
Social security and other taxes	16,438	33,764
Other creditors	3,746	4,225
Accrued expenses	6,930	7,056
	<u>46,367</u>	<u>62,196</u>

19. LEASING AGREEMENTS

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

	31.8.22	31.8.21
	£	£
Within one year	1,951	6,270
Between one and five years	-	2,179
	<u>1,951</u>	<u>8,449</u>

WATERMOOR HOUSE R C H

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

20. MOVEMENT IN FUNDS

	At 1.9.21 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Unrestricted funds				
General fund	1,001,473	14,177	(3,597)	1,012,053
Major projects and improvement	100,000	-	-	100,000
	<u>1,101,473</u>	<u>14,177</u>	<u>(3,597)</u>	<u>1,112,053</u>
Restricted funds				
Dining room renovations	4,515	(451)	-	4,064
Rapid testing	15,589	(15,589)	-	-
Workforce recruitment & retention fund	-	(3,597)	3,597	-
	<u>20,104</u>	<u>(19,637)</u>	<u>3,597</u>	<u>4,064</u>
TOTAL FUNDS	<u>1,121,577</u>	<u>(5,460)</u>	<u>-</u>	<u>1,116,117</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,334,754	(1,320,577)	14,177
Restricted funds			
Dining room renovations	-	(451)	(451)
Rapid testing	8,547	(24,136)	(15,589)
Workforce recruitment & retention fund	21,185	(24,782)	(3,597)
	<u>29,732</u>	<u>(49,369)</u>	<u>(19,637)</u>
TOTAL FUNDS	<u>1,364,486</u>	<u>(1,369,946)</u>	<u>(5,460)</u>

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
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>
Restricted funds				
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>
TOTAL FUNDS	<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 2022

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,530,432	(1,377,318)	153,114
Restricted funds			
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>
TOTAL FUNDS	<u>1,563,987</u>	<u>(1,386,340)</u>	<u>177,647</u>

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.

Purposes of restricted fund - Workforce recruitment & retention fund

The fund was instigated to provide support to care homes in their ability to recruit and retain staff, in a sector which is struggling to do so. The funds were utilised by way of bonus payments made to staff in order to retain them.

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;

WATERMOOR HOUSE R C H

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

20. MOVEMENT IN FUNDS - continued

Transfers between funds - continued

- (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.

21. EMPLOYEE BENEFIT OBLIGATIONS

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £20,768 (2021: £18,328). Contributions payable to the fund at the balance sheet date were £3,534 (2021: £4,225).

22. 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.

23. CAPITAL COMMITMENTS

	31.8.22	31.8.21
	£	£
Contracted but not provided for in the financial statements	-	9,940
	<u> </u>	<u> </u>

24. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2022.