

**ST JOHN'S WINCHESTER**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2023**

Charity no 1174290  
Registered Company no 10903970

**ST JOHN'S WINCHESTER**

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**FOR THE YEAR ENDED 31 MARCH 2023**

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## **1. Reference and Administration Details of the Charity, its Trustees and Advisors**

The Charity is registered with the Charity Commission under Charity registration number 1174290 and is a company limited by guarantee (with registered company number 10903970) incorporated on 8 August 2017. In this report, the Charity or the Company means St John's Winchester. St John's Winchester is the sole corporate trustee of St John's Winchester Charity, a linked charity which still holds the beneficial ownership of the Charity's permanent endowment.

The Charity's activities are governed by a scheme of the Charity Commissioners dated 14<sup>th</sup> April 1991, as amended, and by articles of association adopted on 8 August 2017. The Charity's registered office and principal place of business are located at:-

32 St John's South  
High Street  
The Broadway  
Winchester  
SO23 9LN

The Board of Directors/Trustees comprises persons who are Appointed Directors (co-opted by the Board or members) and Nominated Directors who are appointed respectively by Winchester City Council and by The Bishop of Winchester. The Directors and Trustees of the Charity who have served during the financial year and up to the date of this report (including those who have retired during the year) are listed below:

Mr R Bright - Chair  
Mrs L Bonnin  
Mr R Brand  
Mr R Corden  
Mr C Day  
Mr P Gubb (retired 19 September 2023)  
Ms K Learney  
Mr B Moore (resigned 24 May 2022)  
Ms E McNicholas  
Mrs S Simmons  
Mr M Suffield  
Mr M Willey  
There are currently 11 trustees.

To better manage the affairs of the Charity, the Trustees operate the following four committees whose Chairs report regularly to the main meetings of the Trust Board which in turn take place approximately every quarter:

### **AUDIT, RISK AND FINANCE**

Mr C Day (Chair)  
Mr R Bright  
Mr P Gubb

### **CARE PROVISION**

R Bright (Acting Chair)  
Mr R Brand  
Mrs E McNicholas  
Mr M Suffield

## **STAFF AND GOVERNANCE**

Mr R Corden (Chair)  
Mr R Bright  
Mr C Day

## **PROPERTY MANAGEMENT AND DEVELOPMENT**

Mr P Gubb (Chair)  
Mrs L Bonnin  
Mr R Bright  
Mr M Willey

The senior executive officers of the Charity are as follows:

Chief Executive:	Mr C Cook
Director of Community Services:	Mrs S Weekes
Finance Director:	Mrs E Redmond
Investment Property Manager:	Mrs S Duxbury
Facilities Manager:	Mr A Ross

The Chief Executive Officer of the Charity leads the day-to-day management of the Charity reporting to the Chair and Board of Trustees who are responsible for the overall strategic direction of the Charity and ensuring that the Executive implements the agreed strategy and that the Charity's operations are conducted in the most effective way complying with all laws and regulations in a manner consistent with best practice.

The Charity's main advisors are as follows: -

Bankers:	National Westminster Bank plc 105 High Street, Winchester, SO23 9AW	
Auditors:	CLA Evelyn Partners Limited 4 <sup>th</sup> Floor Cumberland House 15-17 Cumberland Place Southampton, SO15 2BG	
Solicitors:	Stone King Upper Borough Court Upper Borough Walls Bath BA1 1RG	Blake Morgan New Kings Court Chandlers Ford Eastleigh SO53 3LG
Property Advisors:	Carter Jonas 9a Jewry Street Winchester SO23 8RZ	

## **2. Structure, Governance and Management**

The Charity is a company limited by guarantee which from a charity law perspective is governed by a Charitable Scheme approved and established by the Charity Commission in 1991 and subsequently amended. The articles of association of the Charity reflect the Scheme.

The Charity's strategy is determined by the Board of Trustees which meets quarterly. There are four sub-committees of trustees: Audit, Risk and Finance, Care Provision, Staff and Governance, and Property Management and Development. The Trustees of the Charity receive regular reports at these committee meetings from senior executive officers and from the CQC registered manager responsible for the Almshouses, the Dementia Service and from the Service Managers of the Charity's Hand in Hand and Homeshare services.

### ***The Trustees***

The process for appointment of new Trustees is dependent upon whether it is for a Nominated or an Appointed Trustee. One Trustee is currently nominated by Winchester City Council, one by the Bishop of Winchester, and the balance are co-opted by resolution of the Trustees. It is the practice of Winchester City Council to determine at its own cabinet meetings whom to nominate as its Nominated Trustee, and that this person should normally be a serving City Councillor (but not in all cases). It is the Bishop of Winchester's practice to consult the Charity when exercising his power of nomination of one Trustee.

During the year Bruce Moore resigned from the main board so he could take up a post as chair of the Charity's wholly owned subsidiary, St John's Community Housing Ltd, this entity is now dormant.

The Charity has adopted the Charities Governance Code for larger charities and during the current financial year will conduct an assessment of its compliance with the Code and in particular with the Code's requirements pertaining to Equality, Diversity and Inclusion.

The trustees consider that the current Board continues to reflect an appropriate skills mix including, a Chair who was the former Chief Executive of the Crown Estates, a retired head of planning and property investor, a retired property fund manager and investor, a regional Director for the Royal College of Nursing, a former Finance Director of a national publicly funded organisation, the Head of Land Development at a major regional housing association, the former CEO of a Hospital Trust, and a successful entrepreneur involved in social care and housing.

Newly appointed Trustees receive a detailed induction pack, visit the almshouses and key portfolio properties and meet personnel running our key services. Comprehensive reporting occurs on a quarterly basis, with the Trustees being provided with quarterly management accounts, a quarterly CEO report and data supporting Key Performance Indicators. Trustees of the Charity are invited to training programmes arranged by The Almshouse Association and receive safeguarding, GDPR, Equality and Diversity and other training from a reputable outside provider.

Operational decisions e.g., the day-to-day management of the Charity's core services, the hiring of new staff, the management of the Charity's property portfolio are delegated to the Senior Management of the Charity, although the Chief Executive will often draw upon the individual expertise and experience of the Chair and other Trustees in support of key operational decisions. Major investments would be determined by the Trustee Board, following advice and recommendations from Senior Management and external advisors. It is the role of the Trustee Board to scrutinise management actions and determine the strategic direction of the Charity.

### ***Key Members of the Management Team***

These comprise of the Chief Executive, Director of Community Services, Finance Director, Facilities Manager and Investment Property Manager. These managers are responsible for managing their respective teams.

The remuneration of the senior management team is reviewed and benchmarked periodically, by the Staff and Governance Committee. Remuneration is benchmarked against equivalent positions in the charitable and not-for-profit sectors. The members of the senior management team are not directors of the Charity, but the Chief Executive is the Company Secretary of St John's Winchester.

### ***Residents***

Our Residents' Forum meets quarterly to provide St John's almshouse residents with the opportunity to express their views and concerns of both a day-to-day nature and more broadly. The Forum is chaired by a resident, chosen by the Forum. It also provides Senior Management with the opportunity to consult with residents on major initiatives. Usually, the meeting will be attended by at least one trustee. A full residents' meeting also takes place twice in each calendar year.

## **3. Objectives, Public Benefit, Strategy and Fundraising**

### ***Objectives***

Our objectives are to house older people in Winchester of limited means and enable them to live well and independently for as long as possible, and to provide services in the wider community to help older people live well and independently in their own homes for as long as possible.

In October 2022 the Charity launched two new services. The first being a Dementia Support Service with the aim of supporting those living with dementia and their families to live as well as possible with dementia. The second being a Homeshare service matching an older (householder) and younger (sharer) who share a home with the sharer paying no rent but providing up to 10 volunteer hours per week to support the welfare of the householder.

### ***Public Benefit***

The almshouses and community services, benefit from significant subsidies which result in a very high standard of care and support. The numbers of residents benefitting from our almshouses vary from year to year but currently there are 81 flats, soon to be 106, which can accommodate 1 or 2 residents within the almshouses. Our St Johns Hand in Hand Scheme has received over 453 referrals to date, and we have introduced a self-referral process (in addition to referrals from GPs and Social Services) to increase accessibility to the service.

The aims and objectives of the Charity for the public benefit, as defined by the Charities Act 2011, are pursued. The guidance published by the Charity Commission in respect of the subject of public benefit has been followed. This annual report provides information as to the ways in which public benefit is achieved.

### ***Strategy and future strategic plan***

A strategic review was completed in December 2021 with a revised 5-year plan for St John's called 'Building on a Strong Foundation' being put in place, this was reviewed in November 2022. The Charity's core goals remain the same:

- Build new vibrant and supportive communities where older people can live well
- Help older people in the wider Winchester Community to live well
- Help older people living with dementia to live well.

During the year the Charity has launched 2 new services (see below achievement and performances for more detail):

- St John's Dementia Support community service which employs Admiral Nurses and a Dementia Support Worker. The team provides support to those who are affected by dementia, including the families and carers and those living with dementia.

-Homeshare

These services are part of meeting the goals above. Going forward it is planned that these services will expand into other geographical areas and expand the support they provide.

It is also expected that the Charity's Colebrook site in the centre of Winchester (15 new state-of-the-art almshouses) will complete, and plans will be finalised for the conversion of Moorside Nursing Home (closed 2021) into 18 further units.

### ***St John's Community Housing***

At the beginning of the financial year the Charity decided that, subject to becoming registered as a provider of social housing, future development of new almshouses and potentially other accommodation would be carried out through a new wholly-owned subsidiary (incorporated in the previous financial year). This is St John's Community Housing (SJCH), which is also a registered charity. It was thought that SJCH would bring benefits to the St John's Group which would include:

- Potential access to Homes England grants - a contingent allocation of funding was secured in respect of the Colebrook development
- Being a Driver of high standards of housing and tenant engagement and support in the almshouses and in future developments
- Enhancing the Charity's attractiveness and credibility as a potential development partner for housing associations and private developers

In mid-September 2021, St John's Community Housing submitted a Preliminary Application to the Regulator for Social Housing. In January 2021 our Preliminary Application was approved, and a final application was made in the autumn of 2022.

However, as the application process progressed it became clear that the framework and structure of a registered provider within the St John's group of companies was not appropriate for the purpose and/or aims and objectives of both SJCH and SJW. After careful consideration, it was decided that SJCH would withdraw from the Final Application process. The subsidiary has remained dormant throughout the year.

### ***Fundraising for Service Expansion***

The Charity receives income from various sources principally: commercial rental income, weekly maintenance charges, and care fees.

During the year the Charity adopted a fundraising strategy, and after the year-end the appointment of a Head of Fundraising was made. The charity's fundraising strategy is now being implemented and there have already been some positive results in obtaining funds from grant-making bodies, donations and corporate sponsorships. It is expected that these income sources will increase going forward.

The Charity's fundraising activities are administered by employees of the Charity, no third party is currently acting on the Charity's behalf. No complaints were received in the period regarding any fundraising activities. Any fundraising activities are kept under review by the Charity's management to ensure that vulnerable people are not unduly pressured, or activities are unreasonably persistent.

#### **4. Achievements and Performance**

The Charity's overall short-term objective during the year under review remained the provision of housing, accommodation, care and support for older people in Winchester of the highest possible standard, and supporting those in our community to live well with dementia.

##### ***Almshouses***

To support our almshouse residents, we employ a welfare team who provide a mix of registered care and welfare support 24 hours a day for 365 days a year which means our community members feel well supported, safe and secure. Our aim is to keep people living independently and well for as long as possible. In addition to welfare support we employ a therapist, who provides therapeutic massage, yoga and exercise classes.

Sometimes community members require additional support with higher levels of personal care and support to live with dementia. To meet and maintain the highest standards of care the Welfare Team have developed and grown to meet changing needs. Often working alongside the Admiral Nurses in our Dementia Support Service their ability to support family and residents living with dementia has strengthened. The teams continue to work closely with local community services and GP surgeries and adult services to meet the needs of community members. Due to the changing needs of the residents and the new Almshouse development started in 2022, our long-term strategy is to develop our care services and Local Authority funded care both within and outside our almshouses.

There continues to be a Housekeeping Service, which is in great demand.

The CQC registered care service was not inspected in the year but continues to complete it's annual Provider Information Return, and maintains an overall Good rating with the Care Quality Commission.

A survey took place for those receiving registered care within the almshouses. When asked "Are you happy with the care & support you receive from the welfare team?" 90% said that it was outstanding with the remaining 10% saying it was very good.

By working collaboratively with other St John's services the Welfare Team can provide a holistic approach when providing care and support. The reintroduction of our community lunches has involved residents in the planning and preparation of a regular lunch in the Almshouse Community Room.

Our Residents' Forum takes place quarterly and is chaired by a community member who is also our Resident Ambassador ( who represents the charity at official functions.) This Forum gives residents the opportunity to become involved with the Almshouse community and effective management of the Almshouses. The health and wellbeing and ongoing safety of residents is paramount. The Forum provides an opportunity to community members to understand and query budgets, housing policies and services, care provision. The Forum also brings forward suggestions for the benefit of the community as a whole such as a visiting therapy dog, and a walking group. We are particularly proud of the our residents support for Ukraine holding a coffee morning to raise money and taking in donations of clothes to be sent to Ukraine.



The Almshouses and the Welfare Team have continued to support and collaborate with local charities and groups throughout the year. The Play to the Crowd group that works with the Theatre Royal have involved the Almshouse residents again this year and worked with local schools and the Hat Fair artists in workshops. The groups created hats and flags, banners and carnival decorations. When this was completed, there was a grand finale in the Abbey gardens for a celebratory picnic to celebrate dance and music.

The main aim of the Almshouses for the coming year is to develop the registered care services to support those within the Almshouses and the wider Winchester community in need of social care and living with dementia. The team are planning the support required for the residents moving in to the new Almshouse development to grow the inhouse staff team whilst working with internal and external services.

### ***Almshouse development***

In February 2021 work on the Colebrook development of 15 new almshouses began. However, completion of the development has been delayed. Start of site work was held back because of Covid-19, there have been further delays in the current year due to issues with site access for a crane required for construction, and updated fire regulation requirements where additional works were required. It is now expected that the development will be completed in quarter 4 of 2023.

In late 2016, the Charity began a process of reforming 20 of our Southside almshouses for independent living for older people. The programme worked on the basis that an almshouse would be reformed and modernised as and when it became vacant. During 2022/2023 further 3 were reformed, totalling 18 of 20 completed (we anticipate that the programme will be completed by the end of 2023/24). These reformed almshouses enable residents to remain in our community for longer with support and care, often avoiding the need to move to new accommodation or into care homes.

### ***St John's Moorside***

In March of 2021 a decision was taken in principle to close our Moorside Dementia Home subject to a consultation with staff, residents and the local community. The decision was affirmed in June and the Home closed in September of 2021.

Planning permission to convert Moorside into 18 new almshouses was obtained in the year. We are putting plan in place to cover the escalating costs of development caused by inflation, supply chain issues and labour shortages. For an interim period, rooms and facilities in the property will be made available to younger people at affordable rents through a Property Guardianship provider. The Charity is hopeful that work can commence on the site in 2024/25 once any funding gap has been satisfied. Please refer to 'Future Plans' for more information about the Charity's plans for the Moorside site.

### ***St John's Hand in Hand***

The aim of Hand in Hand is to support older people in the wider community to live independently for as long as possible and to relieve loneliness and social isolation. We continue to work in conjunction with the three GP Surgeries in Central Winchester who refer older people to the service. This year the service opened up the referral pathway so people can self-refer who may be experiencing loneliness and isolation which may impact on their health and wellbeing. We employ a Team Manager, Volunteer Coordinator, Volunteer Training Administrator and two Wellbeing Coordinators.

In November 2022 the service celebrated its 3<sup>rd</sup> year anniversary since the launch. During this time, we have had over 108 volunteers who have supported over 450 scheme members through befriending, signposting, and by working with proactive care teams and social prescribers based in the GP surgeries.

Our volunteers continue to support older people in our community. In June 2022 the St John's teams celebrated Volunteer week with lunch on the lawns of northside Almshouses.

The team continue to work closely with Winchester University attending their volunteer events and other fundraising and information days. Students come to St John's to support our events and get involved. This has resulted in volunteering opportunities, a student placement and paid work within our Welfare Team. This supports the awareness of the wider opportunities within the St John's services and what they might offer. We often receive very positive feedback on our Hand in Hand volunteers.

A quote from a volunteer:

*"I am certain that several of my scheme members have appreciated my visits over the last few years. Knowing that gives me great satisfaction and makes me feel that what I am doing is needed and worthwhile."*

### **Community Connectors**

We are proud that local businesses are supporting St John's, so people can access our service to get advice and provide information about the Hand in Hand service and the valuable work it does. By the end of March 2023 there were 17 community connector businesses signed up with 2 more waiting to complete the process.

### **Service delivery**

High standards within the Hand in Hand service are very important to maintain a safe and reliable service. The service continues to provide support for volunteers to learn new skills or refresh old ones and a great deal of work has gone in to reviewing all areas of how the Induction and ongoing training programmes are delivered.

The aim for this coming year is to develop specialised volunteers to work with the Dementia Support Service and provide befriending for carers.

The annual review with scheme members regarding the support from our volunteers and the team resulted in positive feedback.

The Hand in Hand service has had in the region of 140 referrals during this year with up to 60 open cases. This equates to a delivery of between 170 and 200 hours of volunteer support time or sign posting time being provided by the team each month.

The service had several volunteers during this time between 35 and 40 volunteers employed throughout the year. The team have opened up opportunities to the wider services and have successfully recruited volunteers to work within the charity and our chapel.

The service has successfully recruited a volunteer training administrator to support the ongoing recruitment process. The marketing and branding plan has successfully been implemented and the marketing reviewed along with a website update. The use of social media platforms has supported this initiative and raised the profile of the Hand in Hand service and the Charity.

A Volunteer strategy is now in place to drive the service delivery and increasing volunteer recruitment and the referral pathway.

The aim for the coming year will be to focus on implementing the Volunteer Strategy objectives, widen volunteer opportunities within the charity and continue our collaboration with the University. St John's aims is to gain accreditation with Investing in Volunteers (IiV).

### ***Dementia Service***

The Dementia Support Service was launched in September 2022. The service works in partnership with Dementia UK to provide Admiral Nurses support for carers and those living with dementia in the community. The service continues the Charity's work with the three GP surgeries in Winchester, opening referrals from St Clements, St Pauls and Friarsgate. Self-referrals can be accepted if those accessing the service are registered at these 3 GP surgeries. The service employed a Dementia Support Worker at the beginning of 2023.

By the end of March 2023, the service has received 102 referrals. The highest percentage of referrals into the service since February has been from the Older Persons Mental Health Team followed by the Winchester 3 GP surgeries. During this time the service has supported 5 residents living within the Almshouses.

In the first six months the service set up a Memory Wellbeing centre working with Everyone Active Winchester who provide a space to host the centre. This provides support for carers and those they support to have access to an Admiral Nurse in a safe space. The group runs twice a month with approximately 12 to 18 attending. From this group the carers have joined together to set up a memory walking group. The service supports this group and is there to walk and talk if needed. The aim of the service for the coming year is to continue accepting referrals and open up its pathway to allow access to those in greatest need. An additional carers support centre will be opened supported by the team and volunteers. An increase in the number of volunteers to support carers and those living with dementia in the wider Winchester community will be key.

### ***Homeshare***

St John's Homeshare is a mutually beneficial arrangement where an older householder who has a spare room and would like some help around the home and companionship is matched with a younger sharer who provides 10 volunteer hours. The service facilitates and supports 'matches' of householders and sharers.

The Homeshare Service officially launched in October 2022 and is managed by a Homeshare Manager and volunteer. The service provides support is for both parties of a sharing arrangement. During the first 6 months the service had 22 sharer enquiries of which 8 registered. There were 13 householders enquiries, 4 of which registered with the service.

The aim of the service for the coming year is to match 4 householders with sharers. The Homeshare Manager will work on a detailed marketing strategy to raise awareness.

### ***Special expenditure on Charitable***

During the financial year reported on, a total of £31K (2022:£12K) was spent on 'special expenditure' (maintenance and repair costs not incurred in normal operations) and maintenance in our almshouses. This work comprised of paving repairs and external redecorations at the North Side.

### ***Reformation of Southside Almshouses***

To date, a total of 18 almshouses out of 20 have been substantially reformed to meet the needs of older people by creating level access, wet rooms and other features designed to support living independently and well for as long as possible. In 2022/2023 the Charity completed works on 3 further units in the year and expended the sum of £222K on these reformation efforts which make a significant difference to the lives of our residents. We will undertake two further conversions during 2023/24 taking the total completed to 20.

#### *Colebrook Development of New Almshouses*

As detailed in the previous Annual Report work began on the Colebrook site (15 new almshouses) in February 2021. The start of work on site was delayed by Covid and there have been subsequent delays. These delays, and the liability for them, are subject matter of ongoing discussions and negotiations with our contractor Feltham Construction. At present we expect the development to be completed during the third quarter of the current fiscal year. The site is directly contiguous to our existing Southside almshouse community, and this will mean that existing almshouse accommodation will now benefit from the lifts in one of the new blocks. We strive to keep our own almshouse residents and impacted residents fully informed of progress.

#### **Investment Property**

The Charity benefits from income generated from a property portfolio, the majority of which is located within Winchester City Centre. The portfolio consists of 28 properties (29 properties in the year to 31 March 2022) across all property sectors and providing 62 lettable units. The portfolio generated gross income of £1.55m in the year, £0.79m net of related expenditure which is reinvested for the benefit of the Charity.

In the previous year there was a 22% reduction in net income which resulted from a mixture of property voids, rent holidays, renewals being made at lower rents, and alternative charging structures such as turnover rents. During the current year the market has stabilised, and net income increased by 4.5%. Whilst we expect the Winchester High Street to prove resilient and the market to improve in due course, the Pandemic has hastened structural changes to the commercial property market, and we expect this reduction in income to prevail for a number of years.

### **5. Financial Review**

The Charity incurred a net deficit (before realised and unrealised gains on investments) in the year ended 31 March 2023 of £(94)K, compared with a net deficit during 2021/2022 of £(611)K. The Charity had budgeted for a deficit of £(14)K in the fiscal year. The increased final deficit figure was mainly due to increased expenditure on the launch of new services and increased maintenance costs for almshouses and the holding of the empty Moorside property.

Total income decreased by 13.5% from £2,633K to £2,277K.

Income from charitable activities has decreased by 38% (as have some costs, see below) from £910K to £560K due to the closure of Moorside Nursing home in September 2021. In the previous fiscal year there was some income shown for the periods that the Home was occupied.

A major proportion of the Charity's income is derived from its investment in commercial property, consisting of primary and secondary retail units and office premises, mostly in the Winchester area. It is a central objective of the Trustees to optimise the rental income from these properties whilst keeping them in a good state of repair. During the previous 2 years, many of the businesses that occupied these premises could not operate due to the national lockdowns. This resulted in a continued decrease in investment income into 2021/22 with the continuation of agreements with some occupiers for reduced rents due to Covid impact. Vacant premises continued to be challenging to lease. During the current year there was some stabilisation of the market and rental conditions improved with rental income increasing from £1,493K in 2021/22 to £1,586K in 2022/23 (a 6.2% increase).

The Charity's other investments are in unitised funds and cash deposits with an overall strategy of obtaining a reasonable return without incurring high risk. The general economic climate has been turbulent during the year and these funds have performed in line with expectations. Withdrawals of £1,280,000 were made from these funds in the year to part fund the Colebrook Street development. At the year-end there was an unrealised gain of £95K (2022 £1,475K) recorded on these investments. This is an increase in value of 0.6% against the previous year end value.

However, there was a fall in the property value 2022/2023 due to a continued but more measured downward shift in the uncertain commercial property market during and at the end of the year, this totalled an unrealised loss of £(1,178)k (£(3,502)K in 2021/22). As the market improves, it is expected that this value will increase in coming years.

The Charity's expenditure decreased by 27% to £2,371K (2020/21: £3,244K) There were decreased costs for charitable activities mainly attributable to the closure of Moorside in September 2021. There were some increased costs in relation to the launch of the Dementia and Homeshare services.

The Charity's total net assets decreased by 2.3% from £50,521K to £49,344K. This decrease was largely accounted for by the revaluation of the Charity's commercial property and listed investments, and the deficit incurred during the year.

### **Reserves**

As detailed below in plans for future periods, significant investment is expected in our Charitable properties. During these periods substantial capital expenditure is expected, but upon completion, the projects are expected to enable the Charity to be more financially sustainable in the future. The Trustees draw on designated reserves for extraordinary property repairs, as necessary.

Existing designated reserves are as follows:

**Major repairs and rebuilding reserve - investment property:** This was established to provide funds for extraordinary property repairs and improvements on investment properties.

**Extraordinary repairs reserve - charitable property:** This was established to provide funds for extraordinary repairs on the almshouses and nursing homes.

**Minibus replacement reserve:** This was established to provide funds for a replacement minibus when required.

At the year end the Charity held £17,849K unrestricted reserves, of this £5,278K was designated as detailed above. The remaining unrestricted reserves consist of £10,845K charitable fixed assets and a £1,726K accumulated income reserve.

The Charity also held £7K of restricted reserves where the donor of funds has stipulated the use, and £31,488K represents the permanent endowment made to St John's Winchester Charity (St John's Winchester is sole corporate trustee). It is included in these financial statements under a linking directive issued by the Charity Commission.

### **Reserves policy**

During the year the Trustees reviewed the Charity's reserves position and set a reserve policy reflecting the funding position after the closure of Moorside and the utilisation of funds on the developments of the Colebrook Street site. The policy was set at a Board meeting in March 2023.

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The policy agreed was to aim to retain unrestricted free reserves on a continuous basis equivalent to 12 months ordinary running costs. At the year end the accumulated income reserve was the

Going forward the major risks that the Trustees and senior management team have identified for the future include the following:

- Performance of the property investment market
- Increasing inflation and energy prices
- Construction costs for the completion of the Colebrook Street development, and planned development of the Moorside site
- Recruitment of staff with appropriate skills/experience
- Organisational capacity as the Charity expands
- Succession planning

### ***Going concern***

After reviewing relevant forecasts and projections, the current level of reserves and future plans, the Board has concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and that it remains appropriate to prepare the financial statements on the going concern basis.

## **6. Future Plans**

These are summarised in the section headed Strategy and Future Plans. In short, the Charity will be driving forward its three key strategic goals by:

- Building new vibrant and supportive communities where older people can live well
- Helping older people in the wider Winchester Community to live well
- Helping older people living with dementia and their families and carers to live well

The first goal the Charity is looking to realise by successfully completing its Colebrook Street development and finalising plans for the Moorside site to create a total of 33 new almshouses and complete the reformation of 20 existing almshouses by 2024.

The second by continuing to operate its Hand-in-Hand service and to continue to build its Homeshare service (launched October 2022).

The third by expanding its Admiral Nurse led Dementia support service into other geographical areas and increase the scope of our offering.

The achievement of these strategic goals will depend on the ability of the charity to attract significant donations and grants through its recently launched fundraising efforts.

### ***Statement of Trustees' Responsibilities***

The trustees (who are also directors of St John's Winchester for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 the income and expenditure of the Charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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 of disclosure of information to the auditor***

In so far as the trustees/directors are aware:

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

ON BEHALF OF THE TRUSTEES

*Roger Bright*  
Roger Bright (Nov 23, 2023 11:34 GMT)

**Roger Bright – Chair**

Dated 23/11/2023



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST JOHN'S WINCHESTER**

### **Opinion**

We have audited the financial statements of St John's Winchester (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its income and expenditure for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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's 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 other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 Trustees' Annual Report, which incorporates the Strategic Report and the Directors' Report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements
- the Strategic Report and the Directors' Report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report contained within the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which 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
- the financial statements are not in agreement with the accounting records and returns
- certain disclosures of trustees' remuneration specified by law are not made
- we have not received all the information and explanations we require for our audit

## **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 14 the trustees (who are also 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.

## **Auditor's responsibilities for the audit of the financial statements**

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

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

We obtained a general understanding of the charitable company's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the charitable company's industry and regulation.

We understand that the charitable company complies with the framework through:

- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change
- Regular reporting to and meetings of the Board of Trustees meaning that any litigation or claims would come to their attention directly

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the charitable company's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the charitable company:

- The Companies Act 2006, FRS 102 and Accounting and Reporting by Charities: Statement of Recommended Practice (the SORP) in respect of the preparation and presentation of the financial statements
- Health and safety regulations, including building and fire safety
- Compliance with the regulations of the Care Quality Commission ("CQC") as a health and social care provider within its Almshouses

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Performed searches of the CQC website to identify any areas of concern as well as review the results of any inspections and/or reports where available
- Held discussions with management, the Audit, Finance & Risk Committee and reviewed the meeting minutes of the Board of Trustees

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements, especially income via fraudulent journal entries
- Bad debt provision as these are estimates made by management

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Substantive work on material areas affecting income and expenditure
- Challenging management regarding the assumptions used in the estimates identified above, and comparison to post-year-end data as appropriate
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts

A further description of our responsibilities is available 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 auditor's report.

#### **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.

*CLA Evelyn Partners Limited*  
CLA Evelyn Partners Limited (Nov 23, 2023 11:48 GMT)

Julie Mutton  
Senior Statutory Auditor, for and on behalf of  
**CLA Evelyn Partners Limited**  
Statutory Auditor  
Chartered Accountants  
4th Floor Cumberland House  
15-17 Cumberland Place  
Southampton  
SO15 2BG

Date: 23/11/2023

**ST JOHN'S WINCHESTER**  
**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Endowment funds 2023 £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
<b>Income and endowments from:</b>						
<b>Donations and legacies</b>	<b>4</b>	13	6	-	<b>19</b>	6
<b>Income from charitable activities - housing and care provision</b>						
Contributions from charges due	2	560	-	-	<b>560</b>	910
<b>Investments</b>	<b>3</b>	1,626	-	-	<b>1,626</b>	1,527
<b>Other income</b>						
Profit on disposal of fixed assets		72	-	-	<b>72</b>	190
<b>Total income and endowments</b>		<b>2,271</b>	<b>6</b>	<b>-</b>	<b>2,277</b>	2,633
<b>Expenditure</b>						
<b>Expenditure on raising funds</b>						
Cost of managing investments	5	<b>753</b>	-	-	<b>753</b>	683
<b>Expenditure on charitable activities</b>						
Housing and care provision	6	1,618	-	-	<b>1,618</b>	2,513
<b>Other costs</b>						
Loss on disposal of fixed assets		-	-	-	-	48
<b>Total expenditure</b>		<b>2,371</b>	<b>-</b>	<b>-</b>	<b>2,371</b>	3,244
<b>Net expenditure before (losses)/gains on investments</b>	<b>8</b>	<b>(100)</b>	<b>6</b>	<b>-</b>	<b>(94)</b>	(611)
<b>Net unrealised gains/(losses) on investments</b>		<b>78</b>	<b>-</b>	<b>(1,161)</b>	<b>(1,083)</b>	(2,027)
<b>Net realised gains/(losses) on investments</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	1,553
<b>Net (expenditure)/income</b>		<b>(22)</b>	<b>6</b>	<b>(1,161)</b>	<b>(1,177)</b>	(1,085)
<b>Net movement in funds</b>		<b>(22)</b>	<b>6</b>	<b>(1,161)</b>	<b>(1,177)</b>	(1,085)
<b>Reconciliation of funds</b>						
Funds brought forward at 01 April	18	<b>16,868</b>	<b>5</b>	<b>33,648</b>	<b>50,521</b>	51,606
Transfers	18	<b>1,003</b>	<b>(4)</b>	<b>(999)</b>	-	-
Funds carried forward at 31 March	18	<b>17,849</b>	<b>7</b>	<b>31,488</b>	<b>49,344</b>	50,521

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above  
Accounting policies and other notes on pages 21-31 form part of these financial statements

**ST JOHN'S WINCHESTER**  
**BALANCE SHEET AS AT 31 MARCH 2023**

	Notes	Unrestricted Funds 2023 £'000	Restricted Funds 2023 £'000	Endowment Funds 2023 £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
<b>Fixed assets</b>						
Tangible fixed assets	9	10,042	-	872	10,914	7,767
Investments	10	7,563	-	30,616	38,179	40,426
Total fixed assets		<b>17,605</b>	<b>-</b>	<b>31,488</b>	<b>49,093</b>	<b>48,193</b>
<b>Current assets</b>						
Cash at bank and in hand		634	7	-	<b>641</b>	2,796
Debtors and prepayments	11	706	-	-	<b>706</b>	386
		<b>1,340</b>	<b>7</b>	<b>-</b>	<b>1,347</b>	<b>3,182</b>
<b>Creditors amounts falling due in one year</b>	12	<b>(1,046)</b>	<b>-</b>	<b>-</b>	<b>(1,046)</b>	<b>(801)</b>
<b>Net current assets</b>		<b>294</b>	<b>7</b>	<b>-</b>	<b>301</b>	<b>2,381</b>
<b>Total assets less current liabilities</b>		<b>17,899</b>	<b>7</b>	<b>31,488</b>	<b>49,394</b>	<b>50,574</b>
<b>Creditors: amounts falling due after more than one year</b>	13	<b>(50)</b>	<b>-</b>	<b>-</b>	<b>(50)</b>	<b>(53)</b>
<b>Total net assets</b>		<b>17,849</b>	<b>7</b>	<b>31,488</b>	<b>49,344</b>	<b>50,521</b>
<b>Funds</b>						
<b>Permanent endowment and associated reserves</b>						
Permanent endowment fund	18	-	-	28,230	<b>28,230</b>	29,409
Capital recoupment reserve	18	-	-	2,975	<b>2,975</b>	3,943
Investment revaluation reserve	18	-	-	283	<b>283</b>	296
		<b>-</b>	<b>-</b>	<b>31,488</b>	<b>31,488</b>	<b>33,648</b>
<b>Restricted funds</b>						
Donation funds	18	-	7	-	<b>7</b>	5
		<b>-</b>	<b>7</b>	<b>-</b>	<b>7</b>	<b>5</b>
<b>Unrestricted funds</b>						
Charitable property reserve	18	10,845	-	-	<b>10,845</b>	7,692
Other designated reserves	18	5,278	-	-	<b>5,278</b>	7,522
<b>Accumulated income reserve</b>	18	<b>1,726</b>	<b>-</b>	<b>-</b>	<b>1,726</b>	<b>1,654</b>
		<b>17,849</b>	<b>-</b>	<b>-</b>	<b>17,849</b>	<b>16,868</b>
<b>Total Charity funds</b>		<b>17,849</b>	<b>7</b>	<b>31,488</b>	<b>49,344</b>	<b>50,521</b>

The accounting policies and other notes on pages 21-31 form part of these financial statements  
The financial statements were approved by the Trustees on.....

*Roger Bright*  
Roger Bright (Nov 23, 2023 11:34 GMT)  
.....  
Roger Bright- Chair

*C M Day*  
C M Day (Nov 23, 2023 11:38 GMT)  
.....  
Christopher Day- Trustee

**ST JOHN'S WINCHESTER**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023**

	<u>Notes</u>	<u>2023</u>		2022	
		<u>£'000</u>	<u>£'000</u>	£'000	£'000
<b>Cash used in operating activities</b>	<b>1</b>		<b>(1,785)</b>		<b>(2,390)</b>
<b>Cash flows from investing activities</b>					
Investment income		1,630		1,527	
Purchase of tangible fixed assets		(3,359)		(1,861)	
Purchase of investments		(116)		(116)	
Receipts from the sale of investments		1,279		3,907	
Receipts from the sale of fixed assets		199		525	
<b>Cash (used in)/from investing activities</b>			<b>(367)</b>		<b>3,982</b>
<b>Cash flows used in financing activities- repayment of debt</b>			<b>(3)</b>		<b>-</b>
(Decrease)/increase in cash and cash equivalents in the year			<b>(2,155)</b>		<b>1,592</b>
Cash and cash equivalents at the beginning of the year			<b>2,796</b>		<b>1,204</b>
<b>Total cash and cash equivalents at the end of the year</b>			<b>641</b>		<b>2,796</b>

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

Net (expenditure)/income before gains/(losses) on investments	(94)	(611)
Investment income included in investing activities	(1,630)	(1,527)
Depreciation charge	86	85
Profit on disposal on the sale of fixed asset	(72)	(190)
Write off of fixed assets	-	48
(Increase)/Decrease in debtors	(320)	17
Increase/(Decrease) in short- term creditors	245	(212)
<b>Net cash used in operating activities</b>	<b>(1,785)</b>	<b>(2,390)</b>

**2. Analysis in changes in net debt**

	<b>At 1 April 2022</b>	<b>Cash flows</b>	<b>At 31 March 2023</b>
<b>Cash and cash equivalents</b>			
<b>Cash</b>	<b>2,796</b>	<b>(2,155)</b>	<b>641</b>
<b>Borrowings</b>			
<b>Due in more than 1 year</b>	<b>(53)</b>	<b>3</b>	<b>(50)</b>
	<b>(53)</b>	<b>3</b>	<b>(50)</b>
<b>Total</b>	<b>2,743</b>	<b>(2,152)</b>	<b>591</b>

## **ST. JOHN'S WINCHESTER**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **1. PRINCIPAL ACCOUNTING POLICIES**

St John's Winchester ("the Charity") is a private company limited by guarantee and is incorporated in England and Wales; the registered office address is 32 St John's South, Winchester SO23 9LN and the registered number is 10903970. The company is also a registered Charity number 1174290.

The accounts have been prepared in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS 102(effective 1 January 2019) (the SORP) and the Companies Act 2006.

##### **(a) Basis of accounting**

The accounts include the results of both St John's Winchester and the Permanent Endowment Fund of St John's Winchester Charity, which are combined for reporting purposes under the linking direction issued by the Charity Commission on 9 May 2019.

The Charity meets the definition of a public benefit entity under FRS102. Under this definition financial statements are prepared on the historical cost basis of accounting with the exception of the valuation of the freehold investment property and investments.

The accounts are prepared on a going concern basis. The Trustees have carefully reviewed the future prospects of the Charity and its future cash flows and have reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future being at least the next 12 months from the signing of these accounts.

##### **(b) Income**

Charitable income represents maintenance contributions receivable in the case of the almshouses, and in the prior year care home charges due at Moorside. Income is recognised in the period to which it relates. All income is included in The Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy, except for grants and donations where the donor imposes conditions which have to be fulfilled before the Charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of the legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

.

##### **(c) Fixed Assets**

###### **(i) Charitable Property**

Properties acquired are included in the balance sheet at cost less depreciation. Historic assets i.e. properties constructed prior to 1900 are not included in the balance sheet as their costs, which have been fully written off, are not possible to ascertain. These freehold properties have not been included at a valuation due to the impracticality of such valuation. The Charity's policy is to maintain the properties to a good standard through a continuing programme of refurbishment and maintenance. Depreciation is charged on a straight-line basis over 50 years.

**PRINCIPAL ACCOUNTING POLICIES (Continued)**

(ii) Equipment

Equipment and fittings are included in the balance sheet at cost and depreciated at 10%- 20% straight line per annum.

(d) Investments

(i) Investments

Investments are included in the balance sheet at market value. Investment income is recognised in the period to which it relates (property) and when receivable (listed).

(ii) Investment properties

These are included in the balance sheet at the Trustees' valuation based upon professional advice. The surpluses or deficits on revaluation of individual properties are transferred to the permanent endowment fund. Depreciation is not provided in respect of freehold investment properties.

(e) Defined Contribution Pension Schemes

The pension costs charged to the Statement of Financial Activities represent the amount of contributions payable to the schemes in respect of the accounting period.

(f) Charitable property reserve

This capital reserve represents that proportion of the cost of properties, net of depreciation which was financed from the Charity's accumulated income reserve.

(g) Capital recoupment reserves

These reserves represent the recoupment from revenue over an extended period of that proportion of the costs of properties purchased or receiving major improvements in past years which was financed from permanent endowment funds.

(h) Repairs and rebuilding reserves

These reserves represent amounts set aside to carry out future major repairs and rebuilding of charitable and investment properties. The policy for investment in these reserves is the purchasing of units in NAACIF on a quarterly basis.

(i) Value added tax

The Charity was registered for value added tax in July 2005 for the purpose of acquiring the industrial unit in Totton. This is the only property that has been 'opted to tax'. In these financial statements, where applicable, all other expenditure is shown inclusive of VAT.

(j) Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.



**1. PRINCIPAL ACCOUNTING POLICIES (Continued)**

**(k) Allocation of overhead and support costs**

Overhead and support costs relating to charitable activities have been apportioned at 70% and the costs of managing investments at 30%, based on staff time and salaries.

**(l) Redundancy costs**

Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the Charity is demonstrably committed to terminate the employment of an employee or group of employees or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. The Charity is considered to be demonstrably committed only when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal from the plan.

**(m) Financial instruments**

The Charity 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 with the exception of bank loans and mortgages which are subsequently measured at amortised cost using the effective interest method. The Charity also has listed investments which are financial assets measured at fair value

**(n) Key sources of judgement and estimation uncertainty**

In the application of the Charity's accounting policies, described in the accounting policies above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The Trustees consider that the following are key estimates:

- For the year ended 31 March 2023, depreciation of fixed assets is charged over the useful economic life of the assets. Trustees and management review the useful economic life on an annual basis. At the year end the Charity held fixed assets of £10,914K (depreciation charge for the year £86K), the economic life of assets was estimated to be between 5 and 50 years.
- Bad debt provisions- Debtors are reviewed regularly to assess likelihood of recoverability. A provision of bad debt is estimated based on these reviews. At the year-end debtors in respect of investment properties totalled £509K with a provision of £258K against these balances (2022: £676K with a provision of £429K).
- Investment properties- Investment properties are carried at the market value of the assets. The Trustees and management, with the advice of professional valuers estimate these values based on market conditions at the date of valuation

**(o) Exemption from preparing consolidated accounts**

As permitted under Section 405 of the Companies Act, the charitable company has taken the exemption from the requirement to prepare consolidated financial statements as the exclusion of its subsidiary, St John's Community Housing Limited, is not material for the purposes of giving a true and fair view.

**ST. JOHN'S WINCHESTER****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

2	<u>INCOME FROM CHARITABLE ACTIVITIES</u>	<u>2023</u> <u>£'000</u>	<u>2022</u> <u>£'000</u>
	Almshouse weekly maintenance charge	516	519
	Care and care home fees	44	391
		<u>560</u>	<u>910</u>
		=====	=====
3	<u>INVESTMENT INCOME</u>	<u>2023</u> <u>£'000</u>	<u>2022</u> <u>£'000</u>
	Investment property rental income	1,586	1,493
	Common investment funds	35	31
	Other income	5	3
		<u>1,626</u>	<u>1,527</u>
		=====	=====
4	<u>INCOME FROM DONATIONS AND LEGACIES</u>	<u>2023</u> <u>£'000</u>	<u>2022</u> <u>£'000</u>
	Donations	17	6
	Legacies	2	-
		<u>19</u>	<u>6</u>
		=====	=====
5	<u>COST OF MANAGING INVESTMENTS</u>	<u>2023</u> <u>£'000</u>	<u>2022</u> <u>£'000</u>
	Professional fees	103	102
	Property repairs and maintenance	430	368
	Irrecoverable rent arrears	34	7
	Support costs	186	206
		<u>753</u>	<u>683</u>
		=====	=====
6	<u>EXPENDITURE ON CHARITABLE ACTIVITIES</u>	<u>2023</u> <u>£'000</u>	<u>2022</u> <u>£'000</u>
	Staff and agency costs	541	1,007
	Property and equipment costs	428	792
	Direct costs	209	377
	Support costs	437	382
	Charitable property mortgage	3	3
		<u>1,618</u>	<u>2,561</u>
		=====	=====

**ST. JOHN'S WINCHESTER****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****7 SUPPORT AND GOVERNANCE COSTS**

	Charitable Activities £'000	Investment Management £'000	2023 Total £'000
Staff costs	305	130	435
Office equipment and IT	39	17	56
Legal fees	5	2	7
Strategic, PR and HR consultancy	15	7	22
Repairs and renewals	11	4	15
Sundries	32	13	45
Governance	30	13	43
	<u>437</u>	<u>186</u>	<u>623</u>
	=====	=====	=====
	Charitable Activities £'000	Investment Management £'000	2022 Total £'000
Staff costs	267	144	411
Office equipment and IT	26	16	42
Legal fees	17	9	26
Strategic, PR and HR consultancy	11	6	17
Office repairs and utilities	19	10	29
Sundries	18	8	26
Governance	24	13	37
	<u>382</u>	<u>206</u>	<u>588</u>
	=====	=====	=====

**8 NET INCOME/EXPENDITURE**

	2023 £'000	2022 £'000
Surplus is stated after charging-		
Depreciation- tangible fixed assets	86	85
Auditor's remuneration (including VAT) -in their capacity as auditor	21	16
	=====	=====

## ST. JOHN'S WINCHESTER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

9 TANGIBLE FIXED ASSETS	Charitable Property £'000	Equipment £'000	Total £'000
<b>Cost or valuation</b>			
At 1 April 2022	8,596	413	9,009
Additions	3,347	11	3,358
Disposals	(131)	-	(131)
At 31 March 2023	<u>11,812</u>	<u>424</u>	<u>12,236</u>
<b>Depreciation</b>			
At 1 April 2022	904	338	1,242
Charge for the year	69	17	86
Disposals	(6)	-	(6)
At 31 March 2023	<u>967</u>	<u>355</u>	<u>1,322</u>
<b>Net book value at 31 March 2023</b>	<u>10,845</u>	<u>69</u>	<u>10,914</u>
Net book value at 31 March 2022	7,692	75	7,767

All charitable properties are freehold.

10 INVESTMENTS	Investment properties £'000	Listed investments £'000	Cash or Cash Equivalents £'000	Total £'000
At 1 April 2022	24,781	15,620	25	40,426
Additions	-	116	-	116
Disposals	-	(1,280)	-	(1,280)
Change in market value	(1,178)	95	-	(1,083)
<b>Valuation at 31 March 2023</b>	<u>23,603</u>	<u>14,551</u>	<u>25</u>	<u>38,179</u>

  

	Investment properties £'000	Listed investments £'000	Cash or Cash Equivalents £'000	Total £'000
At 1 April 2021	30,637	14,029	25	44,691
Additions	-	116	-	116
Disposals	(2,354)	-	-	(2,354)
Change in market value	(3,502)	1,475	-	(2,027)
<b>Valuation at 31 March 2022</b>	<u>24,781</u>	<u>15,620</u>	<u>25</u>	<u>40,426</u>

The investment properties form part of the permanent endowment of the Charity and generate the principal revenues with which to finance its charitable activities. The properties have been revalued by the Trustees as at 31 March 2023 after consultation with Carter Jonas.

#### Subsidiary undertakings

St John's Community Housing Limited was incorporated on 14 January 2021 and has not traded since its incorporation. St John's Community Housing Limited was incorporated as a private company limited by guarantee without share capital, incorporated in England & Wales. Its registered office is 32 St. Johns South, The Broadway, Winchester, United Kingdom, SO23 9LN.

At 31 March 2023, St John's Winchester holds 100% of the voting rights and the power to appoint or remove a majority of the board of directors of St John's Community Housing Limited hence this constitutes significant control under FRS102 and St John's Community Housing Limited is therefore considered a 100% subsidiary of the company. The aggregate amount of St John's Community Housing Limited capital and reserves as at 31 March 2023 was £nil.

**ST. JOHN'S WINCHESTER****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

11	<u>DEBTORS</u>	<u>2023</u> <u>£'000</u>	<u>2022</u> <u>£'000</u>
	Investment property rents	251	247
	Other debtors and prepayments	455	139
		<u>706</u>	<u>386</u>
		=====	=====

12	<u>CREDITORS: Amounts falling due within one year</u>	<u>2023</u> <u>£'000</u>	<u>2022</u> <u>£'000</u>
	Trade creditors	244	145
	Other creditors	45	51
	PAYE and other taxes	30	23
	Accruals and deferred income	727	582
		<u>1,046</u>	<u>801</u>
		=====	=====

12.a	<u>Deferred income (included in note 12)</u>	<u>2023</u> <u>£'000</u>	<u>2022</u> <u>£'000</u>
	Balance as at 1 April	417	475
	Amounts released to investment income	(305)	(300)
	Amounts released to income from charitable activities	(112)	(175)
	Amounts deferred in the year	640	417
		<u>640</u>	<u>417</u>
		=====	=====

13. CREDITORS: Amounts falling due after more than one year

The loan from The Housing Corporation is secured by charges on the Charity's housing properties and is repayable in annual instalments with interest rates and final repayment date as follows: -

	<u>Interest</u> <u>Rate</u>	<u>2023</u> <u>£'000</u>	<u>2022</u> <u>£'000</u>
Housing Corporation -			
Final repayment date 30.09.2044	10.250%	<u>50</u>	<u>53</u>
		-----	-----

14. TRUSTEES' REMUNERATION AND EXPENSES

The Trustees neither received nor waived any emoluments during the year (2022: Nil).  
Trustees were reimbursed expenses of £ Nil (2022: £Nil).

## **ST. JOHN'S WINCHESTER**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **15. STAFF COSTS**

	<b><u>2023</u></b>	<b><u>2022</u></b>
The average number of employees (both full and part time) employed by the Charity during the year was		
Charitable activities	<b>29</b>	47
Management and administration	<b>11</b>	11
	<b>-----</b>	<b>-----</b>
	<b>40</b>	58
	<b>=====</b>	<b>=====</b>
	<b><u>£'000</u></b>	<b><u>£'000</u></b>
Wages and salaries	<b>1,012</b>	1,359
Social Security costs	<b>93</b>	118
Pension costs	<b>59</b>	84
Redundancy payments	<b>-</b>	285
	<b>-----</b>	<b>-----</b>
	<b>1,164</b>	1,846
	<b>=====</b>	<b>=====</b>

No redundancy payments were made in the year (2022: £284,992). Payments in the previous year were made on the termination of employment for employees of Moorside Nursing home which closed in September 2021.

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was:	<b><u>2023</u></b>	<b><u>2022</u></b>
£70,000- £80,000	<b>1</b>	1
	<b><u>£'000</u></b>	<b><u>£'000</u></b>
Pension contributions paid in respect of higher paid Employees	<b>6</b>	6

The Key management personnel of the Charity comprise the trustees, the Chief Executive Officer, Head of Care Quality, Finance Director, Facilities Manager, and Investment Property Manager. The total employee benefits (including employers' national insurance) of the key management personnel of the Charity were £315,468 (short term benefits £294,454, long term benefits £21,014) (2022: £ 304,244 (short term £ 283,860 long term benefits £20,384)).

All pension costs are charged against unrestricted funds.

#### **16. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

Capital commitments for amounts contracted at the balance sheet date totalled £253,378 (2022: £2,562,779).

#### **17. TAXATION STATUS**

St John's Winchester is a registered Charity whose income is generally exempt from liability to corporation tax by virtue of its charitable objectives and activities. As explained in Note 1 (i), the Charity is unable to recover the majority of VAT charged on purchases of goods and services.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

18	STATEMENT OF FUNDS	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Investment gains/(loss) £'000	Transfers £'000	At 31 March 2023 £'000
	<b>Unrestricted funds</b>						
	Charitable property reserve	7,692	-	-	-	3,153	10,845
	Minibus replacement reserve	31	-	-	-	-	31
	Major repairs and rebuilding reserve- Investment property	5,050	-	-	58	(1,127)	3,981
	Extraordinary repairs reserve- charitable property	2,441	-	-	29	(1,204)	1,266
	Accumulated income reserve	1,654	2,271	(2,371)	(9)	181	1,726
		<u>16,868</u>	<u>2,271</u>	<u>(2,371)</u>	<u>78</u>	<u>1,003</u>	<u>17,849</u>
		=====	=====	=====	=====	=====	=====
	<b>Restricted funds</b>						
	Garden	-	5	-	-	-	5
	Donations Hand in Hand	2	-	-	-	-	2
	Donations Defibrillator	3	1	-	-	(4)	-
	<b>Total restricted funds</b>	<u>5</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>(4)</u>	<u>7</u>
		=====	=====	=====	=====	=====	=====
	<b>Endowment funds</b>						
	Permanent endowment funds	29,409	-	-	(1,179)	-	28,230
	Investment revaluation reserve	296	-	-	(13)	-	283
	Capital recoupment reserves	3,943	-	-	31	(999)	2,975
	<b>Total endowment funds</b>	<u>33,648</u>	<u>-</u>	<u>-</u>	<u>(1,161)</u>	<u>(999)</u>	<u>31,488</u>
		=====	=====	=====	=====	=====	=====
	<b>Total funds</b>	<u>50,521</u>	<u>2,277</u>	<u>(2,371)</u>	<u>(1,083)</u>	<u>-</u>	<u>49,344</u>
		=====	=====	=====	=====	=====	=====

**Funds**

**Unrestricted funds** comprise of those funds with the Trustees are free to use in accordance with the charitable activities.

**Charitable property fund** represents the net book value of charitable property held as fixed assets.

**Designated funds**

Major repairs and rebuilding reserve- investment property: This was established to provide funds for extraordinary property repairs and improvements on investment properties.

Extraordinary repairs reserve- charitable property: This was established to provide funds for extraordinary repairs on the almshouses and nursing homes.

Minibus replacement reserve: This was established to provide fund for a replacement minibus when required.

**Restricted funds** are funds which have been given for particular purposes and projects.

- Donations Garden- fund which are to be utilised in reforming the 'Southside Gardens'
- Donations Hand in Hand- funds which are to be utilised on the provision of the 'Hand in Hand' service
- Donations Defibrillator- funds received to purchase and install defibrillators on St John's sites

The **Endowment Fund** represents those assets which must be held permanently by the Charity, principally investment properties. Income arising on the endowment fund can be used in accordance with the objectives of the Charity and is included as unrestricted income. Any gains or losses arising on the investments form part of the fund.

## **ST. JOHN'S WINCHESTER**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **19. FINANCIAL INSTRUMENTS**

##### **Financial instruments measures at fair value**

	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b><u>£'000</u></b>	<b><u>£'000</u></b>
Investments measured at fair value	<b>14,551</b> =====	15,620 =====

#### **20. RELATED PARTY TRANSACTIONS**

The Charity has a working relationship with Winchester City Council ("WCC") and the Council has the right to nominate 2 of our trustees (see the Trustees' Annual Report). During the year there was 1 trustee nominated by the Council, Kelsie Learney.

During the year £60,348 (2022: £84,401) of payments were made to WCC for the payment of council tax and planning fees. All of these conducted on an arm's length basis based upon standard charges levied by way of a set calculation by WCC.

Details of compensation payable to key management is disclosed in note 15.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****22. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022**

		Unrestricted funds 2022 £'000	Restricted funds 2022 £'000	Endowment funds 2022 £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
	Notes					
Income and endowments from:						
Donations and legacies	4	2	4	-	6	4
Income from charitable activities - housing and care provision						
Contributions from charges due	2	910	-	-	910	1,734
Grants		-	-	-	-	33
Investments	3	1,527	-	-	1,527	1,821
Other income						
Profit on disposal of fixed assets		190	-	-	190	47
Total income and endowments		2,629	4	-	2,633	3,639
Expenditure						
Expenditure on raising funds						
Cost of managing investments	5	683	-	-	683	758
Expenditure on charitable activities						
Housing and care provision	6	2,483	30	-	2,513	3,461
Other costs						
Loss on disposal of fixed assets		48	-	-	48	-
Total expenditure		3,214	30	-	3,244	4,219
Net expenditure before gains/(losses) on investments	8	(585)	(26)	-	(611)	(580)
Net unrealised gains/(losses) on investments		799	-	(2,826)	(2,027)	(473)
Net realised gains/ (losses) on investments		(31)		1,584	1,553	-
Net income/(expenditure)		183	(26)	(1,242)	(1,085)	(1,053)
Net movement in funds		183	(26)	(1,242)	(1,085)	(1,053)
Reconciliation of funds						
Funds brought forward at 01 April	18	16,685	31	34,890	51,606	52,659
Transfers	18	-	-	-	-	-
Funds carried forward at 31 March	18	16,868	5	33,648	50,521	51,606