

**MICHAEL YOAKLEY'S CHARITY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# **MICHAEL YOAKLEY'S CHARITY**

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# MICHAEL YOAKLEY'S CHARITY

## REFERENCE AND ADMINISTRATIVE DETAILS

<b>Trustees</b>	Yoakley Care Share Limited Yoakley Care Trustee Limited  <u>Directors of the corporate bodies above:</u> P Hermitage (Chair) B Aitken D Astley M Baker G Durrant B Gulland
<b>Charity number</b>	205769
<b>Principal office</b>	Yoakley House Drapers Close Margate Kent CT9 4AH
<b>Senior Leadership Team</b>	J Wickenden – Executive Manager T Huntley – Care Manager
<b>Independent auditors</b>	Azets Audit Services Delandale House 37 Old Dover Road Canterbury Kent CT1 3JF
<b>Bankers</b>	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4LQ
<b>Solicitors</b>	Boys & Maughan 11-13 Hawley Street Margate Kent CT9 1PU
<b>Investment advisors</b>	Charles Stanley & Co Ltd 43 Dudley Road Tunbridge Wells Kent TN1 1LE
<b>Property advisors</b>	Smith Woolley 15 Tufton Street Ashford Kent TN23 1EE

# **MICHAEL YOAKLEY'S CHARITY**

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors of the two trustee companies (Yoakley Care Share Limited and Yoakley Care Trustee Limited) who are set out on page 1 will be referred to as "Trustees" for the purposes of this report and the financial statements.

The Trustees present their annual report together with the audited financial statements of the charity for the year 1 January 2021 to 31 December 2021.

### **OBJECTIVES AND ACTIVITIES**

The original objects of the charity were the provision and maintenance of almshouses for the elderly at nominal cost on Drapers Estate. This was extended, in 1980, to provide residential accommodation and care in Yoakley House.

The main objective continues to be to provide the highest quality care of the elderly, keeping residents fees and charges to a minimum using careful investment management.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit.

### **ACHIEVEMENTS AND PERFORMANCE**

#### **SUMMARY OF CONTENTS**

1. Statement Regarding Covid 19 (Coronavirus)
2. Resident, Board and Staff Matters
3. Inspections, Complaints and Compliments
4. Premises, Equipment and Grounds
5. Trust Properties
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7. League of Friends
8. Strategic Planning
9. Networking
10. Community Activities
11. Conclusion

#### **1. STATEMENT REGARDING COVID 19 (CORONAVIRUS)**

Throughout 2021 the global pandemic of Covid 19 brought about by the Coronavirus which had begun in 2020 continued. This highly transmissible and potentially fatal disease mutated into a series of variants each causing a wave of infections in most nations including the UK. Mercifully vaccinations had been swiftly developed in 2020 and roll out of a free programme throughout the UK had begun in December 2020 starting with the most vulnerable including the elderly and those who work with them. Two doses of the vaccination were initially offered a few months apart and with the upsurge of a new variant in late summer, a third "booster" dose was offered in the autumn of 2021. The vaccinations reduced the severity of symptoms of the virus, reducing the high numbers of deaths, and curtailing the spread of the virus.

Key national Covid 19 related events in the UK in 2021 were:

- 6<sup>th</sup> January - third full national lockdown introduced with the directive to "stay at home" as much as possible with all schools and non-essential shops and businesses closed
- 22<sup>nd</sup> February - Government's "roadmap" for gradual easing of lockdown restrictions announced
- 8<sup>th</sup> March - schools reopened
- 29<sup>th</sup> March - outdoor gatherings of up to 6 people permitted
- 12<sup>th</sup> April - non-essential shops reopened
- 17<sup>th</sup> May - outdoor gatherings of up to 30 people permitted
- 19<sup>th</sup> July - most national restrictions lifted, however strict guidelines remained in place for care homes
- 14<sup>th</sup> September - surge of a new variant (Omicron) led Government to set out possible Plan B restrictions
- 8<sup>th</sup> December - Plan B restrictions introduced with masks compulsory in indoor public venues, proof of vaccination passes required in many public venues, and people encouraged to work from home where possible.

# MICHAEL YOAKLEY'S CHARITY

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

### **1. STATEMENT REGARDING COVID 19 (CORONAVIRUS) (Continued)**

With up to 31 elderly residents in our care home and 56 in the almshouses, the key focus for the Charity remained infection control and the health and wellbeing of the residents.

Visits to Yoakley House residents were tightly controlled throughout the year in line with government guidelines at a given time. Indoor visits were only permitted from April 2021 with visitors being able to show a negative LFD Covid test on the day of the visits and wearing personal protective equipment (PPE) whilst in the building. Socially distanced visits were permitted in the grounds or in the training room, which has remained divided throughout the year with a full partition screen and microphone so that residents and visitors can meet whilst in separate air space.

The staff of the Charity continued to focus on keeping themselves and residents well with enhanced infection control measures such as regular handwashing and increased use of PPE. From January all staff had access to Lateral Flow Device (LFD) testing kits allowing them to test at home before coming to work. Staff have tested at least three times a week since, helping to control the spread of the virus.

From November it became a legal requirement for all staff working in care homes to be fully vaccinated. Two staff who had chosen not to take the vaccination left the Charity's employment. All visitors to Yoakley House were also required to show that they have been fully vaccinated from November 2021.

2021 began with 3 residents testing positive for Covid19, mostly contracted outside the home, with a few staff also testing positive. All residents were confined to their rooms for the first 10 days of the year to minimise any spread of the virus. Due to the diligence of staff, the outbreak was contained and all those who had the virus recovered well. Although a very small number of staff tested positive for the virus during the year, it did not affect the residents of the care home again until the very end of the year when the more infectious Omicron variant affected several staff and 3 residents, despite all being fully vaccinated. The year ended with all residents once again confined to their rooms but thankfully symptoms were mild and all made a full recovery. A couple of almshouse residents also tested positive during the year. They too have all made a full recovery.

In 2021 (as for 2020), the virus and the resulting restrictions impacted the Charity as follows:

- **Respite Rooms:** With short term stays in care homes being less attractive due to the need for isolation on arrival, most of the 5 rooms were reassigned (with Board agreement) to longer term respite or permanent appointments.
- **Training Room:** Training courses could not take place as numbers of people meeting together indoors were restricted by regulation for much of the year. There was no income from training room hire for a second year, the room being used as a visitor area and Covid testing room.
- **Rental Income.** Additional rent relief was granted to one of the 5 businesses occupying the Charity's property in Ashford due to enforced business closures during lockdown however by the end of the year all businesses were once again fully operational. Rental income was marginally reduced overall.
- **Investment Income.** In the earlier part of 2021, return on the investment portfolios was reduced however income and capital return rallied well towards the end of the year.
- **Fundraising.** The opportunity to raise funds was severely restricted with no public events taking place on behalf of the Charity during the year. An online Just Giving campaign produced some donations towards the cost of equipment.
- **Expenditure.** High inflation and increased costs affected the Charity's expenditure in many areas however free PPE provided by government via the NHS helped. The government issued further grants to care homes to alleviate some of this cost and the Charity received a total of £56K.

The Board acknowledges that management continued to act quickly and decisively at each stage of the pandemic to minimise the impact of the virus. The charity received a legacy of £200K in 2021 with more expected.

With no loss of life due to Covid 19, fee income in Yoakley was largely unaffected. Four almshouses were vacated in 2021 and there was some delay in preparing them for relet due to maintenance department issues and Covid restrictions. This caused a minimal drop in income.

The overall financial outcome of 2021 for the Charity is however (as it was for 2020) quite miraculous.

# MICHAEL YOAKLEY'S CHARITY

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

### **2. RESIDENTS, BOARD AND STAFF MATTERS**

The Charity records, with regret, the death of 8 residents (all non Covid 19 related).

9 people became permanent residents of Yoakley House during 2021. Some of them had previously been in Yoakley House for respite care.

With Covid 19 restrictions continuing to require residents newly admitted to the care home to be isolated in their rooms for up to 14 days to ensure that they did not develop or transmit the disease, short respite care stays were again few and far between. With the Board's approval, management took the decision to allow those wanting longer term respite with a view to permanence to occupy the majority of the respite rooms.

The respite rooms provided short term care for 8 residents during the year. The majority of these were in the summer months when Covid restrictions had eased and prior to the October 2021 wave. Two Cottage residents came in to Yoakley for respite care and ending up staying permanently and a third had a period of respite while her son was away.

One resident celebrated her 100<sup>th</sup> birthday in February and another turned 101 in July.

2 couples and 3 single residents moved into almshouses. One resident's residency was terminated by mutual agreement in June.

One almshouse resident moved into a local EMI care home in February 2021 due to the severity of his dementia and subsequently passed away. His wife has remained in the almshouse but requested a rent reduction which was granted by the Board from September

#### The Trustees and Board of Directors

The trusteeship of the Charity is held by two limited companies Yoakley Care Trustee Ltd and Yoakley Care Share Ltd, with the former trustees as directors of both companies. This allows the continued effective management of the Charity but protects individuals from personal financial liability.

The Board of Directors of the Trustee companies were:

Mr Peter Hermitage (Chairman)

Mrs Beverley Aitken

Mr David Astley

Mr Michael Baker

Mr Blair Gulland

Mrs Gillian Durrant

Mrs Faye Hames

Resigned 6<sup>th</sup> December 2021

Mr Mark Hames

Resigned 6<sup>th</sup> December 2021

The Board met formally on 5 occasions during the year, 4 of these via the online facility Zoom with the November meeting at Yoakley being the first in-person Board meeting for 18 months. Directors were readily available to discuss issues outside of the formal board meetings. The Charity is grateful to all Directors for freely giving of their time and expertise.

#### Staff

Staff turnover was higher than in previous years. 24 staff left the Charity's employment during the year. 10 new starters did not complete their probationary period which was largely due to additional anxieties or things such as childcare issues brought on by pandemic restrictions.

22 new staff joined the Charity during 2021 (including the 10 who did not stay).

Covid shielding restrictions ended in April 2021 meaning those staff could return to work at Yoakley. As well as the few staff who tested positive for Covid during 2021, others had to take isolation leave when they had been in contact with infectious family or friends.

# **MICHAEL YOAKLEY'S CHARITY**

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

### **2. RESIDENTS, BOARD AND STAFF MATTERS (Continued)**

The new role of Deputy Charity Manager to support the Executive Manager was created during 2021 with the new post holder due to start in January 2022.

There were some issues within the maintenance department during the year which resulted in a complete change of personnel. The new team of 2 appointed from June onwards have settled in well and are doing a brilliant job.

Care home restrictions also prevented much involvement by volunteers during the year.

Agency staff were employed more often than prior to the pandemic to cover shifts due to high staff turnover and high levels of sick leave or compulsory Covid isolation leave. Two carers joined Yoakley staff having first come as agency carers in 2020, after a period of transfer agreed with the agency. An agency night carer who joined us in 2021 to cover staff sickness also decided she would like to become a member of Yoakley staff. She will be joining us permanently in 2022 after her transfer period.

The Deputy Care Manager was rewarded for 25 years with the Charity in July 2021. This shows magnificent dedication especially as she has done several roles working her way up to Deputy Care Manager.

During the year one carer was rewarded for 15 years' service, 4 others for 10 years' service and 2 more for 5 years' service.

The Care Manager is qualified in Train the Trainer courses in the mandatory subjects in which all staff must have regular updates. She can deliver this training in-house to all staff: Covid 19 restrictions meant that much of the training had to be done online or via workbooks. She received the well-deserved accolade of being awarded Runner Up prize in the Train the Trainer Awards Scheme.

Several staff completed NVQ certificates in 2021, with support from management whilst the external training providers were not permitted to do in person training visits.

### **3. INSPECTIONS, COMPLAINTS & COMPLIMENTS**

#### Inspections

An inspection by the Care Quality Commission (CQC) was expected in 2021, and in May management duly received a lengthy Pre-Inspection Report which they completed. A couple of months later directive was issued by the CQC that where there are no serious concerns with a provider, physical inspections would no longer take place and that providers would retain the rating which they had achieved in the previous inspection. Yoakley House was last inspected and received a GOOD overall rating in May 2018. This decision by CQC was quite a disappointment especially to the Care Manager who had worked exceptionally hard since the previous inspection to try to achieve an OUTSTANDING rating.

#### Complaints

There were 8 formal complaints during the year which were sent directly to or reported to the Board. All were satisfactorily addressed by management with support from the Board including 2 which were reported directly to the Care Quality Commission, who found no cause for concern. One workplace accident occurred which is the subject of an insurance claim. Remedial health and safety work has been carried out to ensure the accident should not occur again.

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#### Compliments

Management regularly received compliments and cards of thanks from grateful residents and their relatives. This praise was fed into the annual Quality Assurance review produced in July by the Care Manager which incorporated questions about the home's handling of the pandemic. Relatives were generally very complimentary at the way the Charity protected and cared for residents during the pandemic.

# **MICHAEL YOAKLEY'S CHARITY**

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

### **4. PREMISES, EQUIPMENT AND GROUNDS**

#### Yoakley House

Adaptations to the building were completed to improve infection control including:

- Replacing the corridor and communal area carpet with washable vinyl flooring
- Replacing communal area curtains

The main panel for the nurse call system developed a couple of faults and despite several attempts to repair it which involved it being sent away, a new panel had to be purchased in October 2021. The new model has wifi connectivity for most faults to be fixed remotely.

The conservatory continued to be unusable in the height of summer when it was too hot and in the depths of winter when it was too cold. The decision was taken to insulate the roof which involved plastic panels being fitted inside the glass roof with heat reflective insulation in between. The adaptation has already made a huge difference to the use of the room in all weathers.

With some residents now using more electrical gadgets, a few rooms had to have additional electric sockets added to reduce risk from multiple trailing wires. The value of technology which allows residents in Yoakley House to communicate remotely with family and friends has been greatly appreciated and widely used. We have a Facebook portal for friends and family to stay in touch by visual media on Facebook, Messenger and WhatsApp.

#### Drapers Homes

The new warden emergency call system purchased in 2020 following a fundraising campaign in previous years, was finally installed in the summer of 2021 as the lifting of Covid restrictions allowed engineers access into each cottage. The installation was not without complications:

- some of the equipment was recalled and replacements had to be ordered
- additional wifi repeaters had to be purchased in order that equipment was fully functional on the system in every property

During the work an engineer damaged a water pipe in one of the lofts causing significant water damage to cottage 27 and minor damage to a couple of other properties. Repair and redecoration work had to be carried out by the Charity's contractors, the cost of which was passed on to the installation company. Installation took 3 months overall rather than the planned 3 weeks but the new equipment is now in place and is greatly appreciated by the residents.

Following the electrical wiring check on the almshouses, it was recommended that the majority of fuse boards be replaced. This is being done as properties change hands and the programme will be stepped up as the withdrawal of Covid restrictions allows safer access to the occupied properties.

The programme of replacing rotten window frames and repairing damaged front doors on the cottages continued. The majority of the outer front doors were painted during the summer.

Cottage 29 had a significant water leak under the bath which resulted in it being necessary to dry out and partially rebuild some internal walls.

The Charity continued to provide a housekeeping service to almshouse residents who require it to help to keep the properties clean and well maintained. This was paused during Covid lockdowns periods to prevent any potential spread of the virus by staff between the care home and the almshouses.

Four almshouses changed occupancy during the year. With all being empty at a similar time, redecoration between occupancy was slower than in previous years.

#### Garden and Grounds

Paul Twyman, Head Gardener, with assistant Chris Arrenberg, made the gardens look magnificent including a tribute to Yoakley staff in one of the flower beds in time for the Summer Thank You Party.

In the autumn, the maintenance team repaired and painted all the garden lights improving safety for all residents and staff.

One National Gardens Scheme Open Day was held in July however attendance was not as good as in previous years. The ongoing pandemic, the extremely hot day and the fact that restrictions on care homes prevented the usual provision of tea and cakes affected attendance.



# MICHAEL YOAKLEY'S CHARITY

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

### **5. TRUST PROPERTIES**

The Ashford properties were managed by agents Smith-Woolley. As in 2020, enforced temporary closure of some of the businesses due to the pandemic occurred although this time only Mastercutters required a rent reduction.

#### 2 New Rents, Ashford

This property continues to be let to Mastercutters. In September negotiations on their lease renewal began which were ongoing at the end of the year. They have continued occupancy albeit at a reduced rent which at least means that the property was not empty.

#### 4 New Rents, Ashford

This property continues to be let to Ellenor Hospice (Hospices of Hope).

#### 6 New Rents, Ashford

This property continues to be let to Jim Symes (Ashford Sewing Centre). In December 2020, a car had crashed into the front of this shop causing some structural damage. Claim was made to the Charity's insurers and a Loss Assessor was appointed on behalf of the Charity to act on the tenants' behalf. After lengthy negotiation, repairs were finally agreed and authorised to take place in early 2022 when it was convenient for the shop to be closed.

#### Taylor's Lettings – upstairs offices at 2 New Rents

These offices continue to be let to Taylor's Lettings.

#### Upstairs offices at 6 New Rents

These offices continue to be let to Meditemp.

#### New Rents Neighbouring Property – Emergency Access Licence

This property was vacant during the year.

#### Aylesford Grazing Land

Emma Norris continues to rent this land for horse grazing. An approach has been made to the Board from a neighbouring business who wishes to purchase this land which is under consideration.

#### St Peters Road Farmland

This land continues to be let to Smiths, farmers.

### **6. FINANCE AND INVESTMENTS**

Income for the year was £1,647,056 (2020: £1,294,022). This included a grant of £56,332 (2020: £50,838) towards Covid-19 infection control purposes and a legacy receipt of £200,000 (2020: £nil). Total expenditure for the year amounted to £1,384,446 (2020: £1,388,542). This resulted in a surplus, before valuation adjustments of fixed assets of £262,610 against a 2020 deficit of £94,520.

The charity's balance sheet shows a positive position of £6,240,788 (2020: £5,736,485). Net current assets have increased from £392,271 to £476,505. The cash balance (including current asset investments which are for 90 day notice accounts) has increased from £421,837 to £489,669 with net cash flows from operating activities of £129,816 (2020: (£171,505)).

#### INCOME

##### Yoakley House Fees

The basic weekly charge for Yoakley House is £693.00 which just covers the cost of care. The charge is higher for some permanent residents with more complex needs.

The Dynamic Purchasing System (DPS) contract with Kent County Council continues. KCC paid a minimum of £503.02 per week for permanent residence with higher rates being achieved for some more dependent residents. Each placement represents a deficit of £200 or more on the true cost of care. This is equivalent to a sum in excess of £83K per annum that the Charity has to find. At the end of the year the Charity had 8 KCC funded residents.

# MICHAEL YOAKLEY'S CHARITY

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

### **6. FINANCE AND INVESTMENTS (Continued)**

The inadequate funding of KCC placements means that the Charity must make up the deficit from other income in order to cover costs, with KCC funded residents effectively being treated as beneficiaries of the Charity. The Board and management made a conscious decision some years ago to take a balanced mix of privately funded and KCC funded residents into Yoakley House to ensure the Charity does not run at a loss. Applications by residents funded by KCC are considered, particularly if they come from those who have used our respite service or live in our almshouses. To qualify for KCC funding, a resident has to meet strict criteria as specified and assessed by KCC.

Income from the investment portfolio and from other services, such as the hire of the training room, usually helps to bridge this deficit. In 2021 the Charity benefited from further government Covid 19 related grants totalling £56K to help to cover the deficit.

Respite care charges are between £770 and £900 per week, based on assessment of the individual resident's needs. The minimum charge for respite care funded by KCC was £560, which necessitates the resident paying a significant top up.

#### Drapers Home Maintenance Charges

The almshouse residents are the primary beneficiaries of the Charity and their charges are kept to a minimum. The Charity sets these fees taking into consideration actual maintenance costs, Local Housing Allowance rates, and the Fair Rent figures, with the aim that no resident shall be in hardship. Any almshouse resident who is experiencing financial difficulties is invited to discuss their circumstances with management.

The monthly rates for 2021 – 2022 were between £442 and £637 depending on the size of the property. The residents of the properties on Drapers Close are responsible for all their own bills including gas and water rates, whereas for other tenants these bills are met by the Charity.

With the death of her husband, one occupant of the bungalows was granted a rent discount from October onwards.

#### Training Room Hire

There was no hire of the training room in 2021 due to Covid restrictions on the numbers of people able to be together indoors. The room was used for visits by relatives, and for Covid 19 testing purposes.

#### Investment Portfolio

The Charity's investment portfolios continue to be carefully managed by Charles Stanley Investment Brokers with Mrs Katie Presland as the Charity's primary fund manager. Despite the turbulent effect of Covid 19 on markets, the main portfolio ended the year with a capital value at around £2.2 million from £1.9 million at the end of 2020. £150K from the legacy received by the Charity was invested in this fund in January 2021. The Emergency Repair Fund ended the year with a capital value of £395K from £352K at the end of 2020. Income of £60K was drawn from the main fund with no income being drawn from the ERF.

### **EXPENDITURE**

The careful control of expenditure is key to the future financial stability of the Charity. Conscious effort is made to keep expenditure as low as possible by monitoring costs and price comparison. The Charity continues to be dependent on fundraising to cover the cost of extraordinary items such as the purchase of new and replacement equipment.

#### Wages

The largest expenditure of the Charity remains staff wages. In April 2021, staff received a pay increase of 30p per hour or 2.5%. Four small bonus payments were paid to staff throughout the year as thanks for their dedication in extreme circumstances.

#### Pension Fund

All staff, unless they specifically ask not to join, are now enrolled in the pension scheme under the national auto-enrolment requirements. The Charity is following national guidelines for minimum auto enrolment rates. Monthly contributions to meet the pension fund shortfall continued throughout the year at £660 per month but notification has been received that such payments will be reduced to £325 per month with effect from April 2022 and will cease altogether by January 2025.

# **MICHAEL YOAKLEY'S CHARITY**

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

### **6. FINANCE AND INVESTMENTS (Continued)**

#### Financial Controls Checklist

A Board member completed the Charity Commission Financial Controls Checklist with the Executive Manager during the year. This is likely to become an annual exercise.

#### Grants and Specified Donations

The Charity is extremely grateful for a generous legacy of which £200,000 has so far been received.

A campaign to raise money for hoist slings was launched during the year primarily using the online facility of Just Giving resulting in donations totalling £1,334. £699 was donated by residents and relatives towards Christmas reward for staff. Other gifts and general donations amounted to £3,856.

### **7. LEAGUE OF FRIENDS**

The activity of the League of Friends was severely curtailed during 2021 as they were unable to facilitate public events. They held their first committee meeting for 18 months in November 2021 and began to plan events to take place in 2022.

### **8. STRATEGIC PLANNING**

The Charity's Strategic Plan gives clarity of direction for the Board and provides a means of measuring its achievements against the Charity's aims and objectives. It includes a comprehensive risk assessment register which is reviewed at least annually.

The fact that the Charity has lost none of its residents to Covid 19 has been praiseworthy and has meant that application for residence in both the almshouses and care home has increased dramatically without significant advertising. Management have been unable to accommodate a significant number of requests in the last few months of the year.

#### Yoakley Annexe Project

The planned project to build a short term care annexe to Yoakley House remains on hold with the need to keep the Charity's existing residents safe and well during the pandemic taking priority. The Board will focus on the issues of sustainability of the Charity and future developments when the focus on tackling the virus is less intense.

### **9. NETWORKING**

In 2020 there was an NHS reorganisation with Thanet Clinical Commissioning Group being merged into Kent and Medway CCG. Good support for care homes has been provided via the local GP surgeries, not least in the roll out of the vaccination programmes for both Covid 19 and flu.

Kent Integrated Care Alliance and the National Care Association continue to provide valuable information and support to the Charity's management. In 2021 this took the form of regular emails with updates on the management of the Covid 19 situation. The NCA also processes and advises on DBS checks.

#### Other Organisations

The Executive Manager gave a talk to St Andrews Church Ladies Group and to Thanet Inner Wheel in the autumn. Both groups were very interested in the history and ongoing work of the Charity.

Board members continued their connections with other organisations including the National Almshouse Association and the East Kent Consortium of Almshouses.

# **MICHAEL YOAKLEY'S CHARITY**

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

### **10. COMMUNITY ACTIVITIES**

#### Regular Events & Entertainments

The Summer Garden Party was unable to take place due to Covid restrictions, however a party was held (for staff and residents only) in the garden in July to thank the staff for their amazing commitment during the pandemic. A sumptuous buffet was enjoyed with musical and comedy entertainment. All staff received chocolates and wine, with special awards being presented to those who had shown exceptional dedication to the Charity. Staff who had missed out on long service award presentations also received their certificates, and those who had retired since March 2020 without much of a fanfare were honoured. Board members and the League of Friends Committee helped to serve.

The League of Friends Committee also hosted the National Garden Scheme Open Day in July. The Summer and Christmas fairs did not take place, Yoakley House not being open to the public.

On the retirement of Thelma Eastland, a new Activities Coordinator, Laura Ballard, was appointed. She has continued an extensive programme of activities and entertainments for the care home residents introducing some new ones. Cocktail Afternoons hosted by the Ashley the Cook are a particular favourite and the kitchen have also provided some themed teatime buffets, based on a country of the world and its food. This year again activities had to be adapted according to the regulations in place at a given time e.g. sometimes singers performed online, sometimes outside, sometimes indoors from behind a screen.

Sadly almshouse residents were unable to access most of these activities or to meet communally due to the Covid 19 restrictions. Easter eggs were delivered to them and when the weather was warm enough for musical entertainment to be provided outside they were able to join in.

The Christmas Party with care home and almshouse residents together could not take place as usual however the care home residents celebrated inside whilst Santa from Margate Rotary Club attended with his sleigh to visit the almshouse residents delivering Christmas tea in a box and a small gift. Almshouse residents also enjoyed their own carol service in the Chapel.

The hairdresser who had worked at Yoakley for many years, suffered a severe spinal injury in late 2020 rendering her paralysed from the waist down. Her input over the years and her love for the residents was greatly appreciated. The role was temporarily covered for a few months until a permanent appointment could be made in late Summer.

#### Online Presence

The website and the Facebook page proved invaluable in keeping the outside world aware of the happenings at Yoakley. "The Yoakley Ladies" were involved in the recording of some more fun poetry which was shared online from time to time and received thousands of views internationally and excellent feedback.

#### Religious Services

Weekly services are facilitated by Ministers from a variety of denominations, encouraging the Christian ethos of the Charity's founder. In 2021 these continued some still taking place online using the Facebook Portal. The Charity is very grateful to the faithful band of ministers and pianists who voluntarily serve the residents in this way. Thanks go to volunteer June Waller who coordinates the rota of ministers and pianists.

The Broadstairs Society of Friends usually facilitate Quaker meetings for worship in the Quaker chapel but were unable to do so throughout 2021.

Staff and residents generously collected and donated to Jeans 4 Genes £25, Macmillan Cancer Care £130, and the Royal British Legion Poppy Appeal £60.

Thanet Quilters kindly donated 12 beautiful hand made quilts for residents which are very much appreciated in the winter months.

Residents and staff continue to sponsor 2 children at Kampala Children's Centre Uganda and receive regular letters, photos and updates from them.

# MICHAEL YOAKLEY'S CHARITY

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

### **11. CONCLUSION**

As people get older their housing and care needs can change. With those changes come worries and concerns both for the individuals affected and their families and loved ones. All kinds of questions arise. Where can I live that is both affordable and safe? If I am unwell who will look after me? What happens when I am less mobile than I was? How on earth do I cope with the questions asked of me by the social services, the local authority and the NHS? What happens if I have to go into hospital? Who will help me understand what I have to do next? What the Charity does is provide not only housing and care facilities but also an environment where those questions can be addressed by caring and knowledgeable staff. It is difficult to quantify the extent to which we can remove anxiety and create an environment in which people can feel safe and where families know that support for loved ones is there when needed. This has especially been true during 2021 when so much has been dominated by the Coronavirus pandemic. The Charity's ability to deal with the effects of Covid has been sorely tested in a variety of ways. There have been financial consequences. Our staff have dealt with the anxieties of working in the care sector and have frequently gone the extra mile to care for residents. The residents themselves have had to be stoical and patient especially when visits from loved ones have been restricted. The emotional and physical toll on all concerned during this last year cannot be underestimated. As Chairman I say a very big thank you.

The Board has to consider the broad environment in which we function. A headline from the Guardian newspaper which read "Hundreds of UK care homes closing their doors as Omicron spreads" vividly illustrates the national pressures being felt in the care sector which in turn result in substantial difficulties for our overstretched NHS partners in finding appropriate places once health needs are met. It is not only our care home that in a small way meets needs. Our experience of more and more people requiring sheltered, affordable housing illustrates why almshouse provision is so important. All this when state funding for care fails to cover costs and when government promise for reform of the health and social care system is never delivered. Our response has been to do all that we can to provide love and care and as we move forward to plan to do that for as many people as possible in a sustainable fashion. Predictions of inflationary pressures, high energy charges, frailer elderly people with increasing health and care needs and staff pressures will call upon the Board and the Charity's staff to be focussed and proactive. What the Charity's founder started over three hundred years ago is as relevant now as it was then as we answer the questions with which I started.

### **FINANCIAL REVIEW**

See Review of activities "6. Finance and Investments".

#### Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Annual surpluses, if any, are held on reserve and are accumulated to cover major items of expenditure, particularly following the quinquennial survey of buildings.

The charity's freehold property which is included in the financial statements at a net book value of £2,319,113 (2020 - £2,278,206) are currently insured for a rebuilding cost of £15.8 million.

#### Reserves policy

The Trustees have determined that the appropriate level of free reserves necessary for the efficient management of the charity should be £700,000 (2020: £600,000) i.e. approximately six months normal expenditure.

Unrestricted funds at 31 December 2021 amounted to £618,838 (2020: £476,207).

Designated funds at 31 December 2021 amounted to £4,465,422 (2020: £4,086,255).

Restricted funds at 31 December 2021 amounted to £nil (2020: £17,495).

Endowment funds at 31 December 2021 amounted to £1,156,528 (2020 - £1,156,528).

Total funds at 31 December 2021 amounted to £6,240,788 (2020 - £5,736,485).

#### Future developments

See Review of activities "8. Strategic planning".

# **MICHAEL YOAKLEY'S CHARITY**

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

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

#### *Constitution*

The governing instrument of the Charity is a scheme of the Charity Commission dated 9 March 1956, as amended by schemes dated 20 November 1995, and 1 September 2004 as amended by a resolution dated 1 January 2016. Michael Yoakley's Charity is registered as a charity under number 205769.

The trustees who served during the year and up to the date of signature of the financial statements were:

- Yoakley Care Share Limited;
- Yoakley Care Trustee Limited.

#### *Method of appointment or election of Trustees*

The management of the charity is the responsibility of the Directors of the Trustees who are elected and co-opted under the terms of the Trust deed and the companies Articles of Association.

#### *Policies adopted for the induction and training of Trustees*

The Directors of the Trustee companies receive the Charity Commission booklet "The Essential Trustee" and have induction meetings with the Chairman and Executive Manager.

#### *Organisational structure and decision making*

A company limited by guarantee (Yoakley Care Trustee Ltd) and a company limited by 1 share (Yoakley Care Share Ltd) were appointed to act as Trustees with effect from 1st January 2016. All former trustees became directors of both companies. The Trustee Boards met for formal meetings five times during the year, with other subcommittee meetings in between. Day to day management of the Charity is delegated to the Executive Manager and the Care Manager.

#### *Risk management*

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

### **TRUSTEES' RESPONSIBILITIES STATEMENT**

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

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

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

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

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

This report was approved by the Trustees, and signed on their behalf by:

**Yoakley Care Trustee Limited**

**Date:** 21 April 2022

# MICHAEL YOAKLEY'S CHARITY

## INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

### Opinion

We have audited the financial statements of Michael Yoakley's Charity (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet and the 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, 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 Charities Act 2011.

### 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 charity 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 Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast doubt on the charity'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 other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# MICHAEL YOAKLEY'S CHARITY

## INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

### Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 charity'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 cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

### Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



# **MICHAEL YOAKLEY'S CHARITY**

## **INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

### **Other matters**

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

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Michelle Wilkes FCA (Senior Statutory Auditor)**  
**For and on behalf of Azets Audit Services**

**Date:** 3 May 2022

**Chartered Accountants**  
**Statutory Auditor**

Delandale House  
37 Old Dover Road  
Canterbury  
Kent CT1 3JF

Azets Audit Services are eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# MICHAEL YOAKLEY'S CHARITY

## Statement of Financial Activities (Including Income and Expenditure Account) For the year ended 31 December 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Total 2020 £
<b>Income from:</b>						
Donations and legacies:						
Donations and legacies	2	203,121	2,092	-	205,213	26,511
KCC Covid Grant		-	56,332	-	56,332	50,838
Charitable activities	3	1,249,577	-	-	1,249,577	1,093,741
Investments	4	135,879	-	-	135,879	118,975
Other income		55	-	-	55	3,957
<b>Total income</b>		<b>1,588,632</b>	<b>58,424</b>	<b>-</b>	<b>1,647,056</b>	<b>1,294,022</b>
<b>Expenditure on:</b>						
Raising funds		26,567	-	-	26,567	31,976
Charitable activities		1,281,960	75,919	-	1,357,879	1,356,566
<b>Total Expenditure</b>	5	<b>1,308,527</b>	<b>75,919</b>	<b>-</b>	<b>1,384,446</b>	<b>1,388,542</b>
<b>Net income/(expenditure)</b>		<b>280,105</b>	<b>(17,495)</b>	<b>-</b>	<b>262,610</b>	<b>(94,520)</b>
<b>Other recognised gains/(losses)</b>						
Gains/(losses) on revaluation of fixed assets	8	223,225	-	-	223,225	(140,819)
Actuarial (loss)/gain on defined benefit pension schemes		18,468	-	-	18,468	(575)
<b>Net movement in funds</b>		<b>521,798</b>	<b>(17,495)</b>	<b>-</b>	<b>504,303</b>	<b>(235,914)</b>
<b>Reconciliation on funds:</b>						
Total funds brought forward		4,562,462	17,495	1,156,528	5,736,485	5,972,399
<b>Total funds carried forward</b>		<b>5,084,260</b>	<b>-</b>	<b>1,156,528</b>	<b>6,240,788</b>	<b>5,736,485</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# MICHAEL YOAKLEY'S CHARITY

## Comparative Statement of Financial Activities INCLUDING INCOME AND EXPENDITURE ACCOUNT For the year ended 31 December 2021

		Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
	Notes				
<b>Income and endowments from:</b>					
Donations and legacies:					
Donations and legacies	2	11,425	15,086	-	26,511
KCC Covid Grant		-	50,838	-	50,838
Charitable activities	3	1,093,741	-	-	1,093,741
Investments	4	118,975	-	-	118,975
Other income		3,957	-	-	3,957
<b>Total income</b>		<b>1,228,098</b>	<b>65,924</b>	<b>-</b>	<b>1,294,022</b>
<b>Expenditure on:</b>					
Raising funds		31,976	-	-	31,976
Charitable activities		1,285,859	70,707	-	1,356,566
<b>Total Expenditure</b>	5	<b>1,317,835</b>	<b>70,707</b>	<b>-</b>	<b>1,388,542</b>
<b>Net income/(expenditure)</b>		<b>(89,737)</b>	<b>(4,783)</b>	<b>-</b>	<b>(94,520)</b>
<b>Transfers between funds</b>		<b>356,699</b>	<b>(356,699)</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains/(losses)</b>					
Gains/(losses) on revaluation of fixed assets	8	(140,819)	-	-	(140,819)
Actuarial (loss)/gain on defined benefit pension schemes		(575)	-	-	(575)
<b>Net movement in funds</b>		<b>125,568</b>	<b>(361,482)</b>	<b>-</b>	<b>(235,914)</b>
<b>Reconciliation on funds:</b>					
Total funds brought forward		4,436,894	378,977	1,156,528	5,972,399
<b>Total funds carried forward</b>		<b>4,562,462</b>	<b>17,495</b>	<b>1,156,528</b>	<b>5,736,485</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# MICHAEL YOAKLEY'S CHARITY

## Balance Sheet

As at 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible assets	10		2,321,006		2,296,557
Investment properties	11		859,000		827,000
Investments	12		2,591,464		2,254,097
			<hr/>		<hr/>
			5,771,470		5,377,654
<b>Current assets</b>					
Investments - 90 day notice account		101,938		101,887	
Debtors	13	41,007		43,985	
Cash at bank and in hand		387,731		319,950	
		<hr/>		<hr/>	
		530,676		465,822	
<b>Creditors: amounts falling due within one year</b>	14	(54,171)		(73,551)	
		<hr/>		<hr/>	
Net current assets			476,505		392,271
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			6,247,975		5,769,925
<b>Provision for liabilities</b>	15		(7,187)		(33,440)
			<hr/>		<hr/>
<b>Net assets</b>			6,240,788		5,736,485
			<hr/> <hr/>		<hr/> <hr/>
<b>Capital funds</b>					
Endowment funds			1,156,528		1,156,528
<b>Income funds</b>					
Restricted funds	18		-		17,495
<u>Unrestricted funds</u>					
Designated funds	19	4,465,422		4,086,255	
General unrestricted fund		626,025		509,647	
Pension reserve		(7,187)		(33,440)	
		<hr/>		<hr/>	
			5,084,260		4,562,462
			<hr/>		<hr/>
	20		6,240,788		5,736,485
			<hr/> <hr/>		<hr/> <hr/>

The financial statements were approved by the Trustees on 21 April 2022 and signed on their behalf by:

Yoakley Care Trustee Limited  
Trustee

# MICHAEL YOAKLEY'S CHARITY

## Statement of Cash Flows

For the year ended 31 December 2021

	2021 £	2021 £	2021 £	2020 £
<b>Cash flows from operating activities</b>				
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	262,610		(94,520)	
<b>Adjustments for:</b>				
Depreciation	10,450		1,251	
Previously capitalised professional costs expensed	-		24,135	
Investment management fee	16,822		16,273	
Dividends, interest and rents from investments	(135,879)		(118,975)	
(Increase)/decrease in debtors	2,978		(2,585)	
Increase in creditors	(19,380)		10,145	
(Decrease) in provisions	<u>(7,785)</u>		<u>(7,229)</u>	
<b>Net cash used in operating activities</b>		129,816		(171,505)
<b>Cash flows from investing activities</b>				
Dividends, interest and rents from properties	122,915		130,459	
Purchase of tangible fixed assets	(34,899)		-	
Purchase of investments	<u>(150,000)</u>		<u>-</u>	
<b>Net cash provided by investing activities</b>		(61,984)		130,459
<b>Change in cash and cash equivalents in the reporting period</b>		67,832		(41,046)
Cash and cash equivalents at the beginning of the reporting period		421,837		462,883
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>489,669</u>		<u>421,837</u>
<b>Cash and cash equivalents:</b>				
Investments - 90 day notice account		101,938		101,887
Cash at bank and in hand		<u>387,731</u>		<u>319,950</u>
		<u>489,669</u>		<u>421,837</u>

# **MICHAEL YOAKLEY'S CHARITY**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

### **1. Accounting policies**

#### **1.1 Accounting convention**

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Michael Yoakley's Charity constitutes a public benefit entity as defined by FRS 102 amended by Bulletin 1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The impact of Covid-19 on the charity has been documented in the Trustees Report on pages 1 to 2. Due to the robust measures put in place by Trustees and management, the Trustees do not believe that the Covid-19 pandemic will have an impact on the going concern of the charity.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### **1.4 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

# MICHAEL YOAKLEY'S CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 1.5 Expenditure

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

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

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

### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. All assets costing more than £10,000 are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold Property - 2% straight line

Fixture and fittings - 20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

### 1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

### 1.8 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### Financial assets

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

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

Current asset investments includes short term liquid investments with a maturity of more than three months.

#### Financial 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 or the amount it has received as advanced payments for the goods or services it must provide.

# MICHAEL YOAKLEY'S CHARITY

## NOTES TO THE FINANCIAL STATEMENTS

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

### 1.9 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

The charity operated a defined benefits pension scheme which was transferred in full to the defined contribution scheme above. There was, however, a shortfall on the scheme and payments are being made over a period of ten years to cover the deficit. The liability in the financial statements represents the amount due and is adjusted each year for changes in the actuarial valuation. Interest on the remaining balance is charged on an annual basis.

### 1.10 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

### 1.11 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

### 1.13 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### Useful economic lives of tangible assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates based on economic utilisation and the physical condition of the assets.

#### Defined Benefit Pension Scheme

The present value of the defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability.

#### Investment Properties

Investment Properties are measured at fair value at the Balance Sheet date. The fair values are assessed annually by the trustees. As part of this process the trustees take advice from Chartered Surveyors valuations every 4-5 years.



# MICHAEL YOAKLEY'S CHARITY

## Notes to the Financial Statements

For the year ended 31 December 2021

2. Donations and legacies	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Legacies	200,000	-	200,000	-
Donations and gifts	3,121	2,092	5,213	26,511
	<u>203,121</u>	<u>2,092</u>	<u>205,213</u>	<u>26,511</u>

3. Charitable activities	2021 £	2020 £
Residential Care	981,903	835,927
Sheltered Housing	267,674	257,814
	<u>1,249,577</u>	<u>1,093,741</u>

4. Investments	2021 £	2020 £
Rental income	61,928	50,659
Income from listed investments	72,966	66,515
Interest receivable	985	1,801
	<u>135,879</u>	<u>118,975</u>

5. Charitable activities	Staff costs £	Direct costs £	Support costs £	Total 2021 £	Total 2020 £
Charitable activity					
Cost of raising funds	-	26,567	-	26,567	31,976
Charitable activity:					
Residential Care	821,146	290,621	40,786	1,152,553	1,142,198
Sheltered Housing	114,112	89,877	1,337	205,326	214,368
	<u>935,258</u>	<u>407,065</u>	<u>42,123</u>	<u>1,384,446</u>	<u>1,388,542</u>

All direct costs are expensed directly to the activities that they relate when identifiable.

Support costs are expensed directly to the activities that they relate when identifiable. Other support and Governance costs are treated as relating to the Residential Care as this relates to the majority of time spent and resources.

# MICHAEL YOAKLEY'S CHARITY

## Notes to the Financial Statements For the year ended 31 December 2021

6. Support costs	2021 £	2020 £
Professional and agent fees	1,525	3,994
Office expenses	8,404	9,699
Staff uniforms and training	8,859	6,946
Subscriptions	10,124	10,684
Sundry expenses	6,179	1,830
Advertising	512	3,136
Interest expense on defined benefit pension	80	407
Governance costs:		
Audit fees	6,440	6,320
<b>Total</b>	<b>42,123</b>	<b>43,016</b>

7. **Trustees**  
None of the trustees (or any persons connected with them) received any remuneration, re-imbursements or benefits from the charity during the year.

8. Net gains/(losses) on investments	2021 £	2020 £
<b>Revaluation of:</b>		
Investment Portfolio	191,225	(140,819)
Investment Properties	32,000	-
Revaluation of investments	223,225	(140,819)

9. Employees	2021 £	2020 £
<b>Employment costs</b>		
Wages and salaries	852,800	853,056
Social security costs	54,467	54,288
Other pension costs	27,991	29,591
	935,258	936,935
The average monthly number of employees during the year was:	<b>no.</b>	<b>no.</b>
Residential Care	27	28
Domestic and catering	13	14
Management and administration	6	6
Garden and maintenance	4	4
	50	52

During the year key management personnel received remuneration of £82,908 (2020: £80,768) and benefits of £nil (2020: £nil).

There were no employees whose annual remuneration was £60,000 or more. (2020 - none)

# MICHAEL YOAKLEY'S CHARITY

## Notes to the Financial Statements For the year ended 31 December 2021

10. Tangible fixed assets	Freehold land & buildings £	Fixtures & fittings £	Total £
<b>Cost</b>			
At 1 January 2021	2,891,002	175,035	3,066,037
Additions	-	34,899	34,899
<b>At 31 December 2021</b>	<b>2,891,002</b>	<b>209,934</b>	<b>3,100,936</b>
<b>Depreciation</b>			
At 1 January 2021	612,796	156,684	769,480
Depreciation charged in the year	-	10,450	10,450
<b>At 31 December 2021</b>	<b>612,796</b>	<b>167,134</b>	<b>779,930</b>
<b>Net book value</b>			
<b>At 31 December 2021</b>	<b>2,278,206</b>	<b>42,800</b>	<b>2,321,006</b>
At 31 December 2020	2,278,206	18,351	2,296,557

11. Investment properties	2021 £	2020 £
<b>Fair value</b>		
At 1 January 2021	827,000	827,000
Surplus / (deficit) on revaluation	32,000	-
<b>At 31 December 2021</b>	<b>859,000</b>	<b>827,000</b>

Investment properties of £779,000 (2020: £779,000) have been valued by Smith-Wooley & Perry, independent chartered surveyors who are regulated by the Royal Institution of Chartered Surveyors on 9 March 2020. Investment Properties of £80,000 (2020: £48,000) have been valued by the trustees, on an open market value for existing use basis.

12. Fixed asset investments	Listed securities £	Cash and settlements pending £	Total 2021 £	Total 2020 £
<b>Market value</b>				
At 1 January 2021	2,185,731	68,366	2,254,097	2,422,673
Additions	217,914	265,800	483,714	528,348
Disposals	(42,836)	(294,736)	(337,572)	(556,105)
Revaluations	191,225	-	191,225	(140,819)
<b>At 31 December 2021</b>	<b>2,552,034</b>	<b>39,430</b>	<b>2,591,464</b>	<b>2,254,097</b>

# MICHAEL YOAKLEY'S CHARITY

## Notes to the Financial Statements For the year ended 31 December 2021

### 12. Fixed asset investments (continued)

	Listed securities £	Cash and settlements pending £	Total 2021 £	Total 2020 £
<i><u>Investments at market value comprise:</u></i>				
United Kingdom	1,667,728	39,430	1,707,158	1,454,617
Overseas	884,306	-	884,306	799,480
	<u>2,552,034</u>	<u>39,430</u>	<u>2,591,464</u>	<u>2,254,097</u>

	2021 £	2020 £
<i><u>Asset distribution</u></i>		
Fixed Interest bonds	438,053	436,607
Equities and Funds	1,653,590	1,517,540
Property	114,353	-
Alternatives	298,534	231,583
Mixed Investments	47,503	-
Cash	39,431	68,367
	<u>2,591,464</u>	<u>2,254,097</u>

	2021 £	2020 £
<i><u>Material investments</u></i>		
Aegon Asset Management UK PLC	128,292	133,248
Rathbone Unit Trust Management Ethical Bond Inst Inc	134,017	139,035
Aberdeen Standard Fund Managers Ltd: Ethical Corp BD	125,076	111,726
	<u>387,385</u>	<u>384,009</u>

	2021 £	2020 £
Historical cost	<u>1,861,414</u>	<u>1,675,320</u>

### 13. Debtors

	2021 £	2020 £
Other debtors	12,328	13,054
Prepayments and accrued income	28,679	30,931
	<u>41,007</u>	<u>43,985</u>

# MICHAEL YOAKLEY'S CHARITY

## Notes to the Financial Statements

For the year ended 31 December 2021

14. Creditors: amounts falling due within one year	2021 £	2020 £
Other taxation and social security	10,310	10,455
Other creditors	27,133	28,664
Accruals and deferred income	16,728	34,432
	<u>54,171</u>	<u>73,551</u>

## 15. Pensions

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 £27,991 (2020 - £29,591). Contributions totalling £5,299 (2020 - £6,654) were payable to the fund at the balance sheet date.

The charity was part of a Defined Benefit Pension Scheme which was closed to all members in 2013 and all participants were transferred to the defined contributions pension scheme above. The scheme is classified as a "last-man standing arrangement" where the charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal of the scheme.

A full actual valuation for the scheme in total was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. The following reconciliation is based on the assumption that the rate of discount is 1.18% per annum, this provision represents the amount attributed to the charity.

Present value of provision	2021 £	2020 £
Present value of provision	<u>7,187</u>	<u>33,440</u>
<b>Reconciliation of opening and closing pension provision</b>	<b>2021 £</b>	<b>2020 £</b>
Position at start of period	33,440	40,094
Unwinding of the discount factor (interest expenses)	80	407
Deficit contribution paid	(7,865)	(7,636)
Remeasurements - Impact of any change in assumption	(78)	575
Remeasurements - Amendments to the contributions schedule	(18,390)	-
Provision at end of period	<u>7,187</u>	<u>33,440</u>
<b>Assumptions</b>	<b>2021 %</b>	<b>2020 %</b>
Rate of discount	<u>1.18</u>	<u>0.27</u>

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

# MICHAEL YOAKLEY'S CHARITY

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 16. Operating leases

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	1,930	1,930
Between two and five years	5,789	7,720
	<u>7,719</u>	<u>9,650</u>

#### 17. Related party transactions

The charity used Gullands solicitors of which Blair Gullands is a senior partner. Costs during the year totalled £3,180 (2020 - £nil) and £nil (2020 - £nil) was outstanding at the year end.

The charity carried out maintenance works with M Wickenden, who is the spouse of J Wickenden a member of key management personnel. Costs for the year totalled £4,025 (2020: £nil) and £nil (2020: £nil) was outstanding at the year end.

#### 18. Restricted funds

	Balance At 1 Jan 21 £	Income £	Expenditure £	Gains/(loss) & transfers £	Balance At 31 Dec 21 £
<b>Current year</b>					
Garden party fund	-	699	(699)	-	-
Equipment Fund	-	1,393	(1,393)	-	-
Almshouse alarm system	17,495	-	(17,495)	-	-
KCC Covid Grant	-	56,332	(56,332)	-	-
	<u>17,495</u>	<u>58,424</u>	<u>(75,919)</u>	<u>-</u>	<u>-</u>
<b>Prior year</b>					
Extraordinary Repair Fund	356,699	-	-	(356,699)	-
Equipment Fund	7,533	12,336	(19,869)	-	-
Almshouse alarm system	14,745	2,750	-	-	17,495
KCC Covid Grant	-	50,838	(50,838)	-	-
	<u>378,977</u>	<u>65,924</u>	<u>(70,707)</u>	<u>(356,699)</u>	<u>17,495</u>

##### Garden party fund

The fund is for donations made towards the garden party held for residents and staff as the annual Summer Garden party was unable to be held due to Covid restrictions.

##### Extraordinary repair fund

Now categorised as a designated fund as there were no formal restrictions on this fund.

##### Equipment fund

The fund is for donations made by the charity's league of friends and residents who donate money towards equipment or projects.

# MICHAEL YOAKLEY'S CHARITY

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 18. Restricted funds (continued)

##### Almshouse alarm system

The fund was for donations received specifically to a new alarm system that was installed in 2021.

##### KCC Covid Grant

The charity received various grants from local authorities which had to be spent on Covid-19 infection control purposes.

#### 19. Designated funds

	Balance	New	Designations	Gains/(loss)	Balance
	At 1 Jan 21	Designations	released	& transfers	At 31 Dec 21
	£	£	£	£	£
<b>Current year</b>					
New Building Fund	816,339	-	-	-	816,339
Extraordinary repair fund	352,225	7,118	-	35,995	395,338
Fixed Asset Fund	688,820	52,249	(10,450)	-	730,619
Investment fund	2,228,871	155,847	(16,822)	155,230	2,523,126
	<u>4,086,255</u>	<u>215,214</u>	<u>(27,272)</u>	<u>191,225</u>	<u>4,465,422</u>
<b>Prior year</b>					
	Balance	New	Designations	Gains/(loss)	Balance
	At 1 Jan 20	Designations	released	& transfers	At 31 Dec 20
	£	£	£	£	£
New Building Fund	816,214	125	-	-	816,339
Extraordinary repair fund	-	-	(2,492)	354,717	352,225
Fixed Asset Fund	690,071	-	(1,251)	-	688,820
Investment fund	2,397,836	56,830	(86,958)	(138,837)	2,228,871
	<u>3,904,121</u>	<u>56,955</u>	<u>(90,701)</u>	<u>215,880</u>	<u>4,086,255</u>

##### Extraordinary Repair Fund

The fund is for the purpose of providing for the extraordinary repair, improvement, maintenance and rebuilding of the almshouses and other buildings of the charity.

##### Fixed Asset Fund

This fund represents land and buildings and related fixtures and fittings which are for charitable use.

##### New Building Fund

This fund represents amounts set aside for the building of the new annexe to Yoakley House.

##### Investment Fund

This fund represents tangible fixed assets in the form of investment properties and an investment portfolio which are used by the charity for both purposes of income generation and capital appreciation and thus do not form part of the charity's free reserves.

# MICHAEL YOAKLEY'S CHARITY

## Notes to the Financial Statements

### For the year ended 31 December 2021

20. Analysis of net assets between funds	Endowment funds	Restricted funds	Unrestricted funds	Total 2021
	£	£	£	£
<b>Fund balances at 31 Dec 21 are represented by:</b>				
Tangible assets	1,156,528	-	1,164,478	2,321,006
Investment properties	-	-	859,000	859,000
Investments	-	-	2,591,464	2,591,464
Current assets	-	-	530,676	530,676
Creditors	-	-	(54,171)	(54,171)
Provisions	-	-	(7,187)	(7,187)
	<u>1,156,528</u>	<u>-</u>	<u>5,084,260</u>	<u>6,240,788</u>
<b>Fund balances at 31 Dec 20 are represented by:</b>				
Tangible assets	1,156,528	-	1,140,029	2,296,557
Investment properties	-	-	827,000	827,000
Investments	-	-	2,254,097	2,254,097
Current assets	-	17,495	448,327	465,822
Creditors	-	-	(73,551)	(73,551)
Provisions	-	-	(33,440)	(33,440)
	<u>1,156,528</u>	<u>17,495</u>	<u>4,562,462</u>	<u>5,736,485</u>

#### 21. Contingent asset

On 1 September 2020 the charity was notified that it was entitled to an unconditional legacy of a 50% share of the balance of an Estate. The full legacy receivable is not currently quantifiable until the Estate is finalised. Interim distributions of £200k were received during the year to 31 December 2021 and a further interim distribution of £25k was notified and received post year end.

#### 22. Contingent liability

Upon completion of the purchase of land in 2015, there is an overage clause that could materialise when building commences where a percentage of the increase in the value of land could be payable to the previous owner. The clause lasts for 30 years and is payable by the owner when building commences.