

MICHAEL YOAKLEY'S CHARITY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

MICHAEL YOAKLEY'S CHARITY

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MICHAEL YOAKLEY'S CHARITY

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	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 D Meakin (appointed 16 June 2022) J Miller (appointed 1 October 2022)
Charity number	205769
Principal office	Yoakley House Drapers Close Margate Kent CT9 4AH
Senior Leadership Team	J Wickenden – Executive Manager T Huntley – Care Manager
Independent auditors	Azets Audit Services Delandale House 37 Old Dover Road Canterbury Kent CT1 3JF
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4LQ
Solicitors	Boys & Maughan 11-13 Hawley Street Margate Kent CT9 1PU
Investment advisors	Charles Stanley & Co Ltd 43 Dudley Road Tunbridge Wells Kent TN1 1LE
Property advisors	Smith Woolley 15 Tufton Street Ashford Kent TN23 1EE

MICHAEL YOAKLEY'S CHARITY

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022 to 31 December 2022.

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

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2. Resident, Board and Staff Matters
3. Inspections, Complaints and Compliments
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1. STATEMENT REGARDING COVID 19 (CORONAVIRUS)

The global pandemic of Covid 19 brought about by the Coronavirus which began in 2020 continued to affect the running of the Charity during 2022 although with a robust vaccination programme it became less of a threat to life meaning that national restrictions were mostly lifted by the end of the year.

Care homes were required to continue with precautions such as routine testing of staff and residents throughout the year being obliged to restrict visits from family & friends and contact between residents when cases were identified amongst staff or residents. It was only from May that almshouse residents were welcomed back into Yoakley House to attend indoor activities after over two years of being prevented from entering the building.

With up to 31 elderly residents in our care home and 56 in the almshouses, staff remained vigilant in keeping themselves and residents well. Sadly 2 care home residents who passed away in July had Covid 19 listed as a key cause of death although both had other multiple health issues.

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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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

In 2022 (as for 2020 & 2021), 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, some of the 5 rooms were reassigned (with Board agreement) to longer term respite or permanent appointments for the majority of the year.
- **Training Room:** Training courses did not take place for the first part of the year as numbers of people meeting together indoors was not advisable. There was no income from training room hire until the latter part of the year, the room being used as a visitor area and Covid testing room prior to this.
- **Rental Income.** Additional rent relief was granted to one of the 5 businesses occupying the Charity's property in Ashford. Three tenancies ended – one due to the Covid impact of footfall in the town centre.
- **Investment Income.** Throughout 2022, return on the investment portfolios was affected not only by the pandemic but also the Russian invasion of Ukraine which began in March 2022, leading to soaring fuel prices. These events coupled with political decisions in the UK sparked a cost of living crisis with inflation rising to over 10%.
- **Fundraising.** The opportunity to raise funds was severely restricted with minimal public events in the early part of the year. From May onwards we were able to hold a fundraising lunch organised by the League of Friends, an open garden event and a Christmas Fair.
- **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 £23K.

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 overall financial outcome of 2022 for the Charity is a breakeven situation (as it was for the previous two years) - a quite miraculous result.

2. RESIDENTS, BOARD AND STAFF MATTERS

The Charity records, with regret, the death of the 16 residents, the majority over the age of 85. 2 had Covid 19 as a cause of death although had multiple health issues. 6 people became permanent residents of Yoakley House during 2022.

2 permanent residents continued to occupy respite rooms and another, who had previously visited for respite care, was admitted at the request of her family for end-of-life care. This left 2 or 3 rooms for use for short term visits. The pandemic continued to affect short term stays.

The respite rooms provided short term care for the 19 residents during the year and 3 almshouse residents.

1 resident celebrated her 100th birthday in August, another turned 101 during the year, and 2 more turned 102. Another resident was 100 when admitted but sadly passed away later in the year. For a few months Yoakley had 5 centenarians out of 26 permanent residents.

1 almshouse resident moved on to a nursing home on in March where she received care for cancer until she passed away in July. 2 others moved from Drapers Homes into Yoakley House when it was decided that they could no longer live independently. Another moved to live with her daughter as she needed extra care. 4 residents moved into almshouses during 2022.

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2. RESIDENTS, BOARD AND STAFF MATTERS (Continued)

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 QPM (Chairman)
Mrs Beverley Aitken MBE
Mr David Astley OBE
Mr Michael Baker
Mr Blair Gulland
Mrs Gillian Durrant
Dr David Meakin (appointed 16th June 2022)
Mrs Julie Miller (appointed 1st October 2022)

The Board met formally on 5 occasions during the year. 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

14 staff left the Charity's employment during the year: Staff turnover was higher than before the pandemic. Several new starters did not complete their probationary period largely due to additional anxieties and issues related to pandemic restrictions.

20 new staff joined the Charity during 2022 including the 7 who did not stay.

The new role of Deputy Charity Manager to support the Executive Manager was created during 2021 with the new post holder Tamara McGregor starting in January 2022. She has proved a great help in the overall management of the Charity.

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. The need to resort to the use of such staff does place additional costs on the Charity.

One Senior Carer was rewarded for 15 years with the Charity in July 2022. The Executive Manager was rewarded for 20 years' service in November having started work with the Charity as a part time bookkeeper. 4 other staff completed 5 years' service during the year.

The Almshouse Warden retired in October 2022 a few months short of her 20 year anniversary so she was rewarded accordingly.

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.

MICHAEL YOAKLEY'S CHARITY

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

3. INSPECTIONS, COMPLAINTS & COMPLIMENTS

Inspections

Following the new process adopted by the Care Quality Commission in 2021, no physical inspection took place during 2022. Documentation submitted to CQC by the Charity (such as notifications of deaths of residents, covid infections) was reviewed from time to time by the CQC and an email received by management to say Yoakley House would retain its previous rating of GOOD as determined at the last physical inspection in May 2018.

The Charity retained its 5 star top rated kitchen hygiene certificate following inspection by Thanet District Council.

Complaints

Following several complaints from staff about bullying, one senior carer underwent disciplinary proceedings and was subject to 3 months' demotion during which time she received extensive retraining to support her in returning to her senior role.

Four complaints were received by management during the year from residents or their relatives about the attitude of certain staff. This was dealt with inhouse with one-to-one meetings with the staff concerned, warnings in line with the disciplinary policy where necessary and staff retraining.

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.

4. PREMISES, EQUIPMENT AND GROUNDS

Yoakley House

Routine maintenance was carried out throughout the year by the excellent inhouse maintenance team. As rooms became vacant the ensuite bathrooms were tiled to improve infection control as well as general redecoration of the bedrooms with new carpet as necessary.

New ovens were purchased and installed in the Yoakley kitchens in March. The temperature control valves on most of the radiators in Yoakley House were replaced in October in order to reduce energy costs by allowing staff to regulate room temperatures better.

Drapers Homes

Cottage 29 and The Lodge had new boilers installed during the year. A severe storm in February caused some damage to almshouse roofs which were quickly repaired.

The Head of Maintenance worked hard to reorganise the workshop so that industrial woodwork machinery could be purchased. This facilitated the making of new front doors for cottages 1 to 8 to replace rotten ones. Despite the outlay on machinery, which will be useful for ongoing projects, the cost was significantly less than the £32K quoted by a local carpenter to do the work.

Garden and Grounds

The gardeners did a magnificent job in the gardens which included the creation of celebration garden for the Platinum Jubilee of HM Queen Elizabeth II.

An area of patio was relayed at the back of Yoakley House as it had become uneven and unsafe. The maintenance team replaced the roofs on all the garden sheds including the summer house as they were rotten. The February storm caused extensive damage to a large cedar tree with the loss of large boughs but after some thinning it was declared safe to remain in place by a local Tree Surgeon.

The Charity held its own Open Garden Day in July allowing the public to enjoy the gardens with significant funds being raised from tickets and the sale of tea and cakes by the League of Friends.

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5. TRUST PROPERTIES

The Ashford properties were managed by agents Smith-Woolley. Board members visited the properties on 8th March and the Executive Manager and her Deputy visited on 17th August.

2 New Rents, Ashford

This property continues to be let to Mastercutters who had a further rent reduction to the end of September due to reduced takings during pandemic restrictions. Renegotiation of their lease continued resulting in agreement to a lease which ends in October 2025.

4 New Rents, Ashford

Ellenor Hospice (Hospices of Hope) ended their lease on 31st August citing reduced footfall in the town centre since the pandemic as a reason. A new tenant Ashford Halal Shop took over the shop from 13th December 2022.

6 New Rents, Ashford

This property continues to be let to Ashford Sewing Centre. Repairs to the shop front following the accident where a car crashed into it in December 2020 were finally completed. The ownership of the business is being passed over to the present tenant's son-in-law who wishes to continue to lease the shop.

Taylor's Lettings – upstairs offices at 2 New Rents

Taylor's Lettings ended their lease in December 2022 when the business was sold. Advertising for new tenants has begun.

Upstairs offices at 6 New Rents

Meditemp ended their lease moving to new larger offices premises. They are responsible for rent payments until April 2023 in line with the lease agreement. Advertising for new tenants has begun.

New Rents Neighbouring Property – Emergency Access Licence

This property was not in business for much of the year.

Aylesford Grazing Land

These are let to Aylesford Parish Council. During the year the Parish Council granted a 50 year lease of some of their land to Aylesford Football Club. This land incorporated a small area which had been purchased from the Charity in 2019 and was subject to an overage clause. The Board agreed that the overage clause would not be triggered with the granting of this lease unless any subsequent application for property development be made. Legal documentation was drawn up to confirm this.

St Peters Road Farmland

This land continues to be let to Smiths farmers, tenants since 1963. A rent increase applies from January 2023.

6. FINANCE AND INVESTMENTS

Income for the year was £1,550,726 (2021: £1,647,056). This included a grant of £22,648 (2021: £56,332) towards Covid-19 infection control purposes and a legacy receipt of £25,000 (2021: 200,000). Total expenditure for the year amounted to £1,566,839 (2021: £1,384,446). This resulted in a deficit, before valuation adjustments of fixed assets of £16,113 against a 2021 surplus of £262,610.

The charity's balance sheet shows a positive position of £5,952,283 (2021: £6,240,788). Net current assets have decreased from £476,505 to £467,814. The cash balance (including current asset investments which are for 90 day notice accounts) has increased from £489,669 to £527,407.

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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

6. FINANCE AND INVESTMENTS (Continued)

INCOME

Yoakley House Fees

The minimum basic weekly charge for Yoakley House was set at £735 from April 2022 which just covered the cost of care. With the cost-of-living crisis and high inflation rates in the second half of the year, costs have increased significantly. Any new admissions were taken in with fees starting at £840 and significant fee increase for all privately funded residents is planned from April 2023.

The Dynamic Purchasing System (DPS) contract with Kent County Council continues. KCC paid a minimum of £527.52 per week for permanent residence with higher rates being achieved for some more dependent residents. Each placement represents a deficit of well over £200 on the true cost of care. This is equivalent to a sum in excess of £86K per annum that the Charity has to find. At the end of the year the Charity had 8 KCC funded residents.

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 still 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 2022 the Charity benefited from further government Covid 19 related grants of £9K to help to cover the deficit caused by the pandemic. There was also a grant of £13K for the benefit of staff who had worked during the pandemic. The latter was used to give staff a bonus in March 2022.

Respite care charges started at £903 per week, based on assessment of the individual resident's needs. The minimum charge for respite care funded by KCC was £630, which would necessitate 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 2022 – 2023 were between £468 and £650 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 resident granted a rent discount.

Training Room Hire

There was no hire of the training room for most of 2022 due to Covid restrictions. The room was used for visits by relatives, and for Covid 19 testing purposes. From October onwards the room was available for hire once again although take up was cautious.

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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

6. FINANCE AND INVESTMENTS (Continued)

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.

As mentioned above, the pandemic, the war in Ukraine and some uncertainty in the political situation in the UK created turbulence in the financial markets. Nevertheless the portfolios retained their capital values as at the end of 2021 - the main portfolio at around £1.9million and the Emergency Repair Fund at £351K. Income of £60K was drawn from the main fund. Income of £1K per month began to be drawn from the ERF in December 2022 to mitigate some of the loss from empty investment properties.

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 at £1.1 million for the year. In April 2022, staff received a pay increase of 25p per hour or 2.5%. Management staff and department heads received a further increment in October 2022 to bring their pay above the level of equivalent roles locally.

Bonus payments, calculated on the basis of length of service during the pandemic, were made to staff in March following a government grant. A further bonus was paid in December 2022 as thanks for their dedication in extreme circumstances.

Bank Accounts

For many years the Charity has held a cash account with HSBC running alongside the main account with CAF bank. In 2022 HSBC introduced significant charges for this account so with Board agreement it was closed with all funds being transferred into the CAF Bank account which now provides cash facilities.

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 £325 per month. These should cease altogether by January 2025.

Financial Controls Checklist

A Board member completed the Charity Commission Financial Controls Checklist with the Executive Manager during the year. This will be an annual exercise.

Grants and Specified Donations

The Charity is extremely grateful for the legacy from the estate of the late Michael Dickens of which £225K has so far been received (£25K in the year 2022). Other donations and fundraising (outside of the League of Friends events) brought in £9,900.

7. LEAGUE OF FRIENDS

The activity of the League of Friends continued to be curtailed during the early part of 2022 with caution over public gatherings. Their first event for over 2 years was a luncheon held at St Augustine's, Westgate in May which raised £1,505. They also supported the Charity with the hosting of the Open Garden event and the Christmas Fair.

MICHAEL YOAKLEY'S CHARITY

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

8. STRATEGIC PLANNING

The Charity's Strategic Plan gives clarity of direction for the Board and providing 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.

Green Agenda

The international push towards protection of the planet by reducing carbon emissions together with soaring energy prices in 2022, prompted the Charity to engage the services of the Thanet District Council (TDC) Home Energy Coordinator, Ms Eve Lockton-Goddard. A project has now been launched, with some local government funding already obtained, to look at the installation of renewable energy at the Drapers site which would benefit the care home, almshouses and the properties on Drapers Close. The Executive Manager is also planning to try to persuade the TDC Conservation department to allow the installation of double glazing in the oldest almshouses to further reduce energy wastage. This is an exciting if costly project, but it is an apt time to proceed with it.

Yoakley Annexe Project

The planned project to build a short-term care annexe to Yoakley House remains on hold, the protection of residents and staff during the pandemic and latterly the Green Agenda project taking priority.

9. NETWORKING

Kent and Medway CCG continued support for care homes has been provided via the local GP surgeries, including the roll out of the vaccination programmes for both Covid 19 and flu, and the Acute Response Team which supports residents out of hours.

There is now a national drive towards the proper integration of Health with Social Care. Mr Cedric Frederick has been appointed to chair the facilitation of this in Kent. He visited the Charity for an informative discussion with the Chairman and the Executive Manager in May.

Kent Integrated Care Alliance and the National Care Association continue to provide valuable information and support to the Charity's management. In 2022 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.

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

10. COMMUNITY ACTIVITIES

Regular Events & Entertainments

HM Queen Elizabeth II celebrated her Platinum Jubilee - 70 years as Sovereign - in June 2022. A party for residents was held on 3rd June in the garden. Despite chilly weather, it was good for care home and almshouse residents to finally be able to celebrate together. It was enjoyed by all.

The League of Friends Committee also hosted a Garden Open Day in July with tea and cake for sale which was well attended. The Christmas Fair was held again in November, the first fair since December 2019 and it was good to allow the public to come into Yoakley once again. Mask wearing was encouraged as a precaution.

The Activities Coordinator continued an extensive programme of activities and entertainments for the care home residents introducing some new ones. Almshouse residents were permitted to join in with indoor activities again from May 2022 onwards after being unable to come into Yoakley since March 2020.

It was a joy for care home and almshouse residents to be together again for their Christmas party and other festive events in December.

MICHAEL YOAKLEY'S CHARITY

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

10. COMMUNITY ACTIVITIES (Continued)

Religious Services

Weekly services are facilitated by Ministers from a variety of denominations, encouraging the Christian ethos of the Charity's founder. Thankfully these were mostly in person again in 2022 rather than on a screen. 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. June celebrated her 90th birthday in June 2022 and we honoured her as having been involved with Yoakley for over 40 years, as an employee in various roles and latterly a volunteer.

The Broadstairs Society of Friends recommenced the facilitating of Quaker meetings for worship in the Quaker chapel half way through the year.

Other Charitable Donations

Staff and residents generously collected and donated to Children in Need £40, Macmillan Cancer Care £170, and the Royal British Legion Poppy Appeal £60. Residents and staff continue to sponsor 2 children at Kampala Children's Centre Uganda and receive regular letters, photos and updates from them.

11. CONCLUSION

Michael Yoakley's Charity prides itself in having a community where residents can move from the shelter of almshouses to a care home. The ages of residents in both settings have steadily increased to the point where in 2022 there were five centenarians in residence. It is inevitable that the age profile results in end-of-life care, an area of work that requires skill and dedication from staff.

In 2022 sixteen of our residents died compared with eight the previous year and this does require comment. 2021 was a year in which many care home residents throughout the country died from Covid related illness. Through good care management we avoided such deaths that year and the increase in the present reported year can be accounted for by virtue of the age, frailty and the health conditions of those individuals who are sadly no longer with us. Our staff form close relationships with the people for whom they care and the pressures of all that has occurred over recent times is bound to have affected our staff. The job of being a carer is not easy. The maintenance of high standards of care requires training, supervision and encouragement which comes from our care manager and senior staff who, in addition to the practicalities of caring, have to manage staff turnover which was higher in both 2021 and 2022 than pre-pandemic times. Such trends are not unique to our Charity and are indicative of the pressures in attracting and retaining staff in a highly pressured but low paid industry.

In last year's annual report, I commented that predictions of inflationary pressures, high energy charges, frailer elderly people with increasing health and care needs and staff pressures would call upon the Board and the Charity's staff to be focussed and proactive. What was not expected was the level of inflation at 10%. Clearly this means that the Charity has to be focussed upon income and expenditure as we move forward. We also have to recognise the effects felt by our residents and staff who are now having to cope with a significant cost of living crisis. Regular reviews of the budget, our emphasis on energy efficiency, committed staff and attention to the details of care have been and will be essential in maintaining a vibrant community in the almshouses and the care home.

In the grand scheme of health and social care both locally and nationally the Charity is but a small cog in a very big wheel. I do wish that once and for all the rhetoric of politicians extolling the value of social care providers, the need for joined up health and social care and the virtues of the care workforce would give practical support to charities like ours. The fact that we effectively subsidise the local authority to the tune of over £200 per week per bed for residential care is unsustainable when inflationary costs are running as they are.

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11. CONCLUSION (Continued)

We emphasise again that the work of carers is difficult and requires both skill and a mindset of love and patience which needs to be applauded and rewarded. This is particularly so when our NHS colleagues are stretched and caring for residents becomes more complex. In December 2021 the government published a White Paper entitled "People at the Heart of Care" which promised (amongst other things) funding and recognition of care workers. The impact of government policy will be a long time coming, and we conclude as we did last year that we have to be proactive. In so doing, the knowledge amongst our staff assists the Board make considered decisions and is there to assist residents (and their families) deal with day-to-day issues.

The body of this report demonstrates our achievements in 2022 and what must be added is our thanks to the dedicated team within the Charity without whom we could not deliver.

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 £2,310,556 (2021 - £2,321,006) 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 (2021: £700,000) i.e. approximately six months normal expenditure.

Unrestricted funds at 31 December 2022 amounted to £715,255 (2021: £618,838).

Designated funds at 31 December 2022 amounted to £4,080,500 (2021: £4,465,422).

Endowment funds at 31 December 2022 amounted to £1,156,528 (2021 - £1,156,528).

Total funds at 31 December 2022 amounted to £5,952,283 (2021 - £6,240,788).

Future developments

See Review of activities "8. Strategic planning".

MICHAEL YOAKLEY'S CHARITY

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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: 20 April 2023

MICHAEL YOAKLEY'S CHARITY

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Opinion

We have audited the financial statements of Michael Yoakley's Charity (the 'charity') for the year ended 31 December 2022 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 2022 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 2022

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 2022

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: 11 May 2023

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 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Total 2021 £
Income from:						
Donations and legacies:						
Donations and legacies	2	30,980	860	-	31,840	205,213
KCC Covid Grant		-	22,648	-	22,648	56,332
Charitable activities	3	1,363,232	-	-	1,363,232	1,249,577
Investments	4	130,058	-	-	130,058	135,879
Other income		2,948	-	-	2,948	55
Total income		1,527,218	23,508	-	1,550,726	1,647,056
Expenditure on:						
Raising funds		34,625	-	-	34,625	26,567
Charitable activities		1,508,706	23,508	-	1,532,214	1,357,879
Total Expenditure	5	1,543,331	23,508	-	1,566,839	1,384,446
Net income/(expenditure)		(16,113)	-	-	(16,113)	262,610
Other recognised gains/(losses)						
(Losses) / Gains on revaluations	9	(272,529)	-	-	(272,529)	223,225
Actuarial gain on defined benefit pension schemes	16	137	-	-	137	18,468
Net movement in funds		(288,505)	-	-	(288,505)	504,303
Reconciliation on funds:						
Total funds brought forward		5,084,260	-	1,156,528	6,240,788	5,736,485
Total funds carried forward		4,795,755	-	1,156,528	5,952,283	6,240,788

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 2022

		Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
	Notes				
Income and endowments from:					
Donations and legacies:					
Donations and legacies	2	203,121	2,092	-	205,213
KCC Covid Grant			56,332	-	56,332
Charitable activities	3	1,249,577	-	-	1,249,577
Investments	4	135,879	-	-	135,879
Other income		55	-	-	55
Total income		1,588,632	58,424	-	1,647,056
Expenditure on:					
Raising funds		26,567	-	-	26,567
Charitable activities		1,281,960	75,919	-	1,357,879
Total Expenditure	5	1,308,527	75,919	-	1,384,446
Net income/(expenditure)		280,105	(17,495)	-	262,610
Transfers between funds					
				-	-
Other recognised gains/(losses)					
Gains on revaluations	9	223,225	-	-	223,225
Actuarial gain on defined benefit pension schemes	16	18,468	-	-	18,468
Net movement in funds		521,798	(17,495)	-	504,303
Reconciliation on funds:					
Total funds brought forward		4,562,462	17,495	1,156,528	5,736,485
Total funds carried forward		5,084,260	-	1,156,528	6,240,788

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 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	11		2,310,556		2,321,006
Investment properties	12		869,000		859,000
Investments	13		2,308,633		2,591,464
			<u>5,488,189</u>		<u>5,771,470</u>
Current assets					
Investments - 90 day notice account		102,077		101,938	
Debtors	14	18,683		41,007	
Cash at bank and in hand		425,330		387,731	
		<u>546,090</u>		<u>530,676</u>	
Creditors: amounts falling due within one year	15	<u>(78,276)</u>		<u>(54,171)</u>	
Net current assets			467,814		476,505
Total assets less current liabilities			<u>5,956,003</u>		<u>6,247,975</u>
Provision for liabilities	16		<u>(3,720)</u>		<u>(7,187)</u>
Net assets			<u>5,952,283</u>		<u>6,240,788</u>
Capital funds					
Endowment funds			1,156,528		1,156,528
Income funds					
Restricted funds	19		-		-
<u>Unrestricted funds</u>					
Designated funds	20	4,080,500		4,465,422	
General unrestricted fund		718,975		626,025	
Pension reserve		<u>(3,720)</u>		<u>(7,187)</u>	
			<u>4,795,755</u>		<u>5,084,260</u>
	21		<u>5,952,283</u>		<u>6,240,788</u>

The financial statements were approved by the Trustees on 20 April 2023 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 2022

	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities				
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(16,113)		262,610	
Adjustments for:				
Depreciation	10,450		10,450	
Investment management fee	17,208		16,822	
Dividends, interest and rents from investments	(130,058)		(135,879)	
Decrease in debtors	22,327		2,978	
Increase / (Decrease) in creditors	24,105		(19,380)	
Decrease in provisions	(3,330)		(7,785)	
Net cash used in operating activities		(75,411)		129,816
Cash flows from investing activities				
Dividends, interest and rents from properties	113,149		122,915	
Purchase of tangible fixed assets	-		(34,899)	
Purchase of investments	-		(150,000)	
Net cash provided by investing activities		113,149		(61,984)
Change in cash and cash equivalents in the reporting period		37,738		67,832
Cash and cash equivalents at the beginning of the reporting period		489,669		421,837
Cash and cash equivalents at the end of the reporting period		527,407		489,669
Cash and cash equivalents:				
Investments - 90 day notice account		102,077		101,938
Cash at bank and in hand		425,330		387,731
		527,407		489,669

MICHAEL YOAKLEY'S CHARITY

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

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 2022

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 2022

2. Donations and legacies	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Legacies	25,000	-	25,000	200,000
Donations and gifts	5,980	860	6,840	5,213
	<u>30,980</u>	<u>860</u>	<u>31,840</u>	<u>205,213</u>

3. Charitable activities	2022 £	2021 £
Residential Care	1,075,801	981,903
Sheltered Housing	287,431	267,674
	<u>1,363,232</u>	<u>1,249,577</u>

4. Investments	2022 £	2021 £
Rental income	50,537	61,928
Income from listed investments	77,909	72,966
Interest receivable	1,612	985
	<u>130,058</u>	<u>135,879</u>

5. Charitable activities	Staff costs £	Direct costs £	Support costs £	Total 2022 £	Total 2021 £
Charitable activity	£	£	£	£	£
Cost of raising funds	-	34,625	-	34,625	26,567
Charitable activity:					
Residential Care	938,823	347,133	40,926	1,326,882	1,152,553
Sheltered Housing	114,112	89,877	1,343	205,332	205,326
	<u>1,052,935</u>	<u>471,635</u>	<u>42,269</u>	<u>1,566,839</u>	<u>1,384,446</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.

6. Cost of raising funds	2022 £	2021 £
Investment management costs	17,208	16,822
Cost of managing investment properties	17,417	9,745
	<u>34,625</u>	<u>26,567</u>

MICHAEL YOAKLEY'S CHARITY

Notes to the Financial Statements

For the year ended 31 December 2022

7. Support costs	2022 £	2021 £
Professional and agent fees	2,060	1,525
Office expenses	8,358	8,404
Staff uniforms and training	6,655	8,859
Subscriptions	10,567	10,124
Sundry expenses	5,471	6,179
Advertising	670	512
Interest expense on defined benefit pension	56	80
Governance costs:		
Audit fees	8,340	6,440
Total	42,269	42,123

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

9. Net gains/(losses) on investments	2022 £	2021 £
Revaluation of:		
Investment Portfolio	(282,529)	191,225
Investment Properties	10,000	32,000
Revaluation of investments	(272,529)	223,225

10. Employees	2022 £	2021 £
Employment costs		
Wages and salaries	952,119	852,800
Social security costs	66,463	54,467
Other pension costs	34,353	27,991
	1,052,935	935,258
The average monthly number of employees during the year was:	no.	no.
Residential Care	29	27
Domestic and catering	14	13
Management and administration	6	6
Garden and maintenance	4	4
	53	50

During the year key management personnel received remuneration of £86,040 (2021: £82,908) and benefits of £nil (2021: £nil).

There were no employees whose annual remuneration was £60,000 or more. (2021 - none).

There was no trustees reimbursed expenses (2022 - none).

MICHAEL YOAKLEY'S CHARITY

Notes to the Financial Statements For the year ended 31 December 2022

11. Tangible fixed assets	Freehold land & buildings £	Fixtures & fittings £	Total £
Cost			
At 1 January 2022 and 31 December 2022	2,891,002	209,934	3,100,936
Depreciation			
At 1 January 2022	612,796	167,134	779,930
Depreciation charged in the year	-	10,450	10,450
At 31 December 2022	612,796	177,584	790,380
Net book value			
At 31 December 2022	2,278,206	32,350	2,310,556
At 31 December 2021	2,278,206	42,800	2,321,006
12. Investment properties		2022	2021
		£	£
Fair value			
At 1 January 2022		859,000	827,000
Surplus / (deficit) on revaluation		10,000	32,000
At 31 December 2022		869,000	859,000

Investment properties of £789,000 (2021: £779,000) have been valued by Smith Wooley , independent chartered surveyors who are regulated by the Royal Institution of Chartered Surveyors on 15 March 2023. Investment Properties of £80,000 (2021: £80,000) have been valued by the trustees, on an open market value for existing use basis.

13. Fixed asset investments	Listed securities £	Cash and settlements pending £	Total 2022 £	Total 2021 £
Market value				
At 1 January 2022	2,552,034	39,430	2,591,464	2,254,097
Additions	27,865	115,152	143,017	483,714
Disposals	(37,247)	(106,072)	(143,319)	(337,572)
Revaluations	(282,529)	-	(282,529)	191,225
At 31 December 2022	2,260,123	48,510	2,308,633	2,591,464

MICHAEL YOAKLEY'S CHARITY

Notes to the Financial Statements For the year ended 31 December 2022

13. Fixed asset investments (continued)

	Listed securities £	Cash and settlements pending £	Total 2022 £	Total 2021 £
<i>Investments at market value comprise:</i>				
United Kingdom	1,481,492	48,510	1,530,002	1,791,984
Overseas	778,631	-	778,631	799,480
	2,260,123	48,510	2,308,633	2,591,464

	2022 £	2021 £
<i>Asset distribution</i>		
Fixed Interest bonds	346,857	438,053
Equities and Funds	1,476,382	1,653,590
Property	71,450	114,353
Alternatives	322,211	298,534
Mixed Investments	43,223	47,503
Cash	48,510	39,431
	2,308,633	2,591,464

	2022 £	2021 £
<i>Material investments</i>		
Aegon Asset Management UK PLC	102,480	128,292
Rathbone Unit Trust Management Ethical Bond Inst Inc	106,639	134,017
Aberdeen Standard Fund Managers Ltd: Ethical Corp BD	97,335	125,076
	306,454	387,385

	2022 £	2021 £
Historical cost	1,863,405	1,861,414

14. Debtors

	2022 £	2021 £
Other debtors	-	12,328
Prepayments and accrued income	18,683	28,679
	18,683	41,007

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Notes to the Financial Statements

For the year ended 31 December 2022

15. Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	13,432	10,310
Other creditors	31,284	27,133
Accruals and deferred income	33,560	16,728
	<u>78,276</u>	<u>54,171</u>

16. 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 £34,353 (2021 - £27,991). Contributions totalling £5,676 (2021 - £5,299) 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

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

	2022	2021
	£	£
Present value of provision	<u>3,720</u>	<u>7,187</u>

Reconciliation of opening and closing pension provision

	2022	2021
	£	£
Position at start of period	7,187	33,440
Unwinding of the discount factor (interest expenses)	56	80
Deficit contribution paid	(3,386)	(7,865)
Remeasurements	(137)	(18,468)
Provision at end of period	<u>3,720</u>	<u>7,187</u>

Assumptions

	2022	2021
	%	%
Rate of discount	<u>4.96</u>	<u>1.18</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.

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Notes to the Financial Statements

For the year ended 31 December 2022

17. 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:

	2022 £	2021 £
Within one year	1,930	1,930
Between two and five years	3,859	5,789
	<u>5,789</u>	<u>7,719</u>

18. Related party transactions

The charity used Gullands solicitors of which Blair Gullands is a former senior partner. Costs during the year totalled £nil (2021 - £3,180) and £nil (2021 - £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 £1,100 (2021: £4,025) and £nil (2021: £nil) was outstanding at the year end.

19. Restricted funds

	Balance At 1 Jan 22 £	Income £	Expenditure £	Gains/(loss) & transfers £	Balance At 31 Dec 22 £
Current year					
Garden fund	-	860	(860)	-	-
KCC Covid Grant	-	22,648	(22,648)	-	-
	<u>-</u>	<u>23,508</u>	<u>(23,508)</u>	<u>-</u>	<u>-</u>
Prior year					
Extraordinary Repair 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>

Garden party fund

The fund is for donations made towards the garden party held for residents or garden decorations.

Equipment fund

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

KCC Covid Grant

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

Almshouse alarm system

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

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Notes to the Financial Statements

For the year ended 31 December 2022

20. Designated funds	Balance	New	Designations	Gains/(loss)	Balance
	At 1 Jan 22	Designations	released	& transfers	At 31 Dec 22
	£	£	£	£	£
Current year					
New Building Fund	816,339	-	(333,641)	-	482,698
Extraordinary repair fund	395,338	6,470	-	(50,765)	351,043
Fixed Asset Fund	730,619	-	(10,450)	-	720,169
Investment fund	2,523,126	225,228	-	(221,764)	2,526,590
	<u>4,465,422</u>	<u>231,698</u>	<u>(344,091)</u>	<u>(272,529)</u>	<u>4,080,500</u>
	Balance	New	Designations	Gains/(loss)	Balance
	At 1 Jan 21	Designations	released	& transfers	At 31 Dec 21
	£	£	£	£	£
Prior year					
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>

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 2022

21. Analysis of net assets between funds	Endowment funds	Restricted funds	Unrestricted funds	Total 2022
Fund balances at 31 Dec 22 are represented by	£	£	£	£
Tangible assets	1,156,528	-	1,154,028	2,310,556
Investment properties	-	-	869,000	869,000
Investments	-	-	2,308,633	2,308,633
Current assets	-	-	546,090	546,090
Creditors	-	-	(78,276)	(78,276)
Provisions	-	-	(3,720)	(3,720)
	1,156,528	-	4,795,755	5,952,283
Fund balances at 31 Dec 21 are represented by:				
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)
	1,156,528	-	5,084,260	6,240,788

22. 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 £225k have been received to date to 31 December 2022.

23. 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.