

**YATELEY INDUSTRIES FOR THE DISABLED LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022**

**Company Registration Number: 00448920
Charity Registration Number: 229571**

YATELEY INDUSTRIES FOR THE DISABLED LIMITED (A COMPANY LIMITED BY GUARANTEE)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

CONTENTS	PAGES
Directors'/ Trustees' report	1 - 10
Reference and administrative details	11
Statement of trustees' responsibilities	12
Independent auditor's report	13 - 15
Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19 - 33

**DIRECTORS' / TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

FOREWORD BY THE CHAIR OF TRUSTEES

It is my pleasure to write this foreword to the Annual Report as the Chair of Yateley Industries. The Charity is fortunate to have Trustees who are engaged, talented and passionate about the Charity. It is an honour to have been elected as Chair at the AGM in November and I am grateful for all Trustees' continued support, effort and dedication. On behalf of the Board I would like to express our appreciation for all that our Vice-Chair Mark Allen did in leading the Board during the year when we were without a Chair.

Throughout the course of this financial year, Linda Matthews and Dean Fieldus stepped down as Trustees. We thank them for the significant contributions they made to the Board and Charity as a whole during their time as Trustees. We are delighted to welcome Neil Blackley and Lucy de'Lemos as new Trustees. Both bring valuable experience of the sector and expertise in areas which the Board have identified as strategic priorities, such as fundraising and marketing. Their work as Trustees has already been influential.

Throughout the last four years that I have been a Trustee, Yateley Industries has undergone significant change. The finances of the Charity have been stabilised, the Trustee Board has been expanded with conscious recruitment of appropriate skillsets and new governance structures have been put in place, including establishing three Board subcommittees to focus and streamline the oversight of the Board.

Sam Peplow played a huge role in this transformation and we were therefore sad to lose her as our CEO in March. Sam always went above and beyond in her leadership of the Charity. She championed new initiatives such as the Community Pantry; introduced necessary policies to ensure good governance and financial stability and even took on the enormous challenge of running a marathon to raise money (to name only a few achievements during her tenure). Sam is a phenomenal ambassador for Yateley Industries and we know she won't be a stranger here.

Following a rigorous recruitment process, we are excited to welcome Sheldon McMullan as our CEO in August. We are looking forward to the energy, creativity and ambition that Sheldon brings to drive Yateley Industries' future development. During the period from March to August, where we have been without a CEO, the management team have done an outstanding job in running the Charity. We are immensely grateful for their fortitude, flexibility and hard work.

The Covid-19 pandemic severely affected every person, organisation and community over the past two years and Yateley Industries has been no different. Many charities did not make it through this exceptionally difficult period and it is testament to the Yateley Industries' staff, residents and supporters that we were able to do so. The impacts of the pandemic can be seen in the financial accounts, as we have had a substantial reduction in income this year (last year's income having been supported by the furlough scheme). We are however confident that many of these impacts are short-term and will be redressed through a recovery period over the coming year.

Significant time is spent by our Trustees (now as part of a Finance Committee) to address the pension deficit. The Charity continues to meet its commitments to increased levels of contributions as agreed with the Pension Scheme Trustees and discussions are continuing to finalise a long-term repayment plan. The overall deficit picture has reduced, due to the recovery of funds from Patrick McLarry and interest rate rises reducing liabilities. We must continue to make substantial contributions to address the deficit and are progressing various tangible strategies to make this happen, which we hope will come to fruition this financial year.

Despite the ongoing challenges which Yateley Industries faces, especially in the wake of the pandemic, there is much to be optimistic about. The core focus of the Charity remains unchanged and we measure our performance not just financially but in fulfilling the objectives of the Charity. The initiatives being worked on by staff and Trustees are raising Yateley Industries' profile and identifying the huge potential that exists to develop the important work that the Charity undertakes. In the difficult economic conditions we are living through, we are proud of the contribution we are able to make to the local

**DIRECTORS' / TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

community through the Community Pantry established in partnership with Hart Council. We recognise the large number of stakeholders involved in Yateley, including our staff and residents, their families, the local community, local authorities and regulatory bodies. We welcome the chance to work further in partnership with these stakeholders to further the Charity's objectives.

I am confident the Charity will grow and thrive under the leadership of our new CEO. It truly is a special community, full of wonderful people, meaning anyone who visits understands why it is so important we do everything possible to ensure the Charity can continue to provide its vital services to our beneficiaries.



**Sarah Beckwith
Chair of Trustees**

**DIRECTORS' / TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

OBJECTIVES AND ACTIVITIES

The objects for which the Association is established as set out in the Articles of Association are the relief of those in need because of long term health conditions or disability by (but without prejudice to the generality of the foregoing) providing vocational training, employment and / or accommodation.

The Boards vision (agreed in 2020) for the charity is for Yateley to be "A thriving, sustainable and valued community creating living, learning and working opportunities for disabled people within wider society"

The main activities undertaken by Yateley Industries for the Disabled Ltd ("Yateley Industries" / "the Charity") are as follows:

Residential Accommodation – Provision of residential accommodation for up to 45 people with disabilities in a mixture of one and two storey buildings on the Yateley Industries site.

Factory – Our mission statement for the factory is to sustain and increase the opportunities for people with disabilities in rewarding employment, with an occupation that enables a disabled person to contribute to society through work. In order to fulfil this aspect of our mission the charity also undertakes activities in the following areas:

- a) **Work and work-based training** - provided to enable our disabled colleagues to undertake meaningful mainstream employment (in individual cases where disability permits), through progression. Where mainstream progression is not an option, chances of internal progression are maximised. Training is undertaken in the specific areas of factory production and retail.
- b) **Access to Work** – The Government provides grants and support for those who are disabled or have a physical or mental health condition that makes it hard for them to do their jobs. Customers receive support from coaches and reasonable adjustments from their employers to ensure they are not disadvantaged in work. Yateley Industries has two coaches providing this support service.
- c) **Social life and behaviour** - to achieve true integration into mainstream society disabled people must possess the social skills that are an essential part of everyday life. To this end Yateley Industries, encourage all our disabled customers and residents to join in with social activities. All the disabled people at Yateley Industries are expected, and have the right, to live independently.
- d) **Oil Collection and Delivery** - We work with local organisations to support them in the collection of old oil and to deliver new cooking oil. The oil is recycled on site and provides additional skills and work to some of our staff.

Helping Hands Charity Shop – Retail sales from the charity shop on High Street, Hartley Wintney contribute to the income of the Charity. It raises awareness of Yateley Industries in the local area and engages the community in donating to the shop.

Community Pantry Supported by Hampshire County Council and Hart Council the pantry supports individuals who are facing financial difficulties. People can access fresh, frozen and ambient food for a small membership fee each week. We now have in excess of 100 members and it has received excellent feedback from members and other support organisations. We are delighted to be further supporting the local community and anticipate the pantry will provide future work and training opportunities for Yateley Industries.

**DIRECTORS' / TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

ACHIEVEMENTS AND PERFORMANCE

Summary of those directly benefiting from Yateley Industries activities:

Total employees	76
Employees on TESS	65
Local authority funded staff	19
Access to Work customers	5
Volunteers	12
Residents	35

Occupancy of the residential buildings has reduced down to 76% and this has been substantially due to Covid which has prevented us from increasing our occupancy during this financial year. We anticipate this increasing again going forwards.

Yateley Industries receives funding from the Department of Work and Pensions (DWP). The rate for TESS workplaces is £5,000 per place per annum, which has remained unchanged for a number of years. Yateley Industries is one of ten organisations involved with the Proof of Concept for the DWP's Extra Employment Support Grant (EESG), which will eventually replace TESS. This has however been delayed due to Covid and TESS has been extended for a further year to April 2023. We are delighted to be involved in and contribute to shaping the future of this concept, as Yateley Industries' business is reliant on these payments to be able to cover the wages paid to employees.

We have two Access to Work coaches, who deliver job coach in work support and provides another income stream for Yateley in keeping with the aims of the charity to support people with disabilities into meaningful employment. We are currently supporting five customers and the Trustees have received feedback that Access to Work has been instrumental in assisting clients to remain in employment. Our Access to Work coaches were an important support system for Yateley Industries' employees during periods of furlough over the course of this financial year.

Within the factory, the major activities undertaken by Yateley employees include packaging products such as soaps, signage and hardware. Production at the factory continued to be interrupted through lockdowns and testing measures put in place for the safety of staff a number of which are still in place. Workshop sales made a small recovery, but are still well short of historic levels, when the factory was able to remain fully open.

One of our customers, Ethical Supplies, has also promoted the work undertaken by Yateley Industries on their packaging, which we appreciate and wish to reiterate our thanks for this support. This initiative can usefully be promoted to other Yateley customers.

New business development had to be put on hold due to Covid-19. It is hoped this can be renewed in the current financial year, and increase workshop sales.

The recovery of business utilising the factory has been slower than we would have liked and this has meant that some part-time working has been necessary

The Helping Hands charity shop partially recovered post Covid, and with a local grant made available during this period managed to make a small profit.

The positive difference that Yateley Industries makes to its residents and employees is evident from talking to those who live and work on site.

We have a few regular volunteers that support the Charity. Many of these work in Helping Hands, our charity shop and our new initiative the Community Pantry. We also have a volunteer working in the factory alongside staff who find work more challenging. This helps them to keep focus and develops

**DIRECTORS' / TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

their skills. Our factory volunteer Steve comes from industry and is retired and gets great benefit himself in volunteering for Yateley Industries.

**DIRECTORS' / TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

FINANCIAL REVIEW

Financial Position

Income decreased by approximated £399,847/ 27.3%.

Turnover decreased 27.3% during the year largely due to the decrease in Coronavirus support funding from £380,110 to £62,943, plus the removal of the last period of the Cricketers pub's inclusion in the year ended March 2021. Elsewhere, increased workshop, cooking oil and Access to Work sales, plus increased revenues from the Pantry food bank and the Helping Hands charity shop, were offset by reductions in workshop TESC, Local Authority funding, accommodation rental income and fundraising donations. The occupancy levels in the accommodation were down from an increase in voids due to the pandemic, resulting in lower rental income from our residential properties. Fundraising donations declined following an abnormally good year in 2021 with several large grants. Due to this combination of factors, the financial year saw a reduction in pre pension contribution surplus to the Charity from £444,506 to £13,292.

In November 2021, La Galleria restaurant vacated the part of the factory building which they had occupied since 2015. The cessation of their rent payments also affected income. The absence of the restaurant did however allow the Community Pantry to move inside from the Portacabin on the green, enabling the expansion in membership which has been occurring recently. The Trustees will consider appropriate future use of this space with our new CEO.

The Trustees are still dealing with substantial issues resulting from the systematic mismanagement of the charity by the then CEO and board prior to November 2017.

The charity continues to make additional contributions towards the pension scheme deficit and paid £120,000 to the pension scheme in the year. The historical issues such as production of accounting and valuation reports is nearing completion and we look forward to being able to at last move this matter forward. The additional costs being incurred by the pension scheme trustees, although necessary, remains a short-term drain on the financial resources and our attention to restoring these to more normal levels by agreeing a formal repayment plan remains a top priority.

The former CEO continues to owe the pension scheme approximately £35,000 from the confiscation order made against him in 2020.

Investment policy

The Memorandum and Articles of Association governs and provides the framework within which the Charity makes its investment decisions.

The Trustees recognise that returns on investment are currently very low so that investment is not a prime objective. Repaying our loan and pension deficits is the priority for the Charity to ensure its future sustainability.

Reserves policy

Yateley Industries has a reserves policy to enable the charity to meet the good practice standards of the Charity Commission Guidance CC19 "Charity Reserves and Building Resilience". The reserves are held to cover fluctuations that may arise in projected operating income and/or expenditure and the need to wind down the Company in an orderly fashion (should the need arise). The acceptable range of reserves is set annually during the financial forecasting and budgeting process and approved by the Board. The reserves are monitored by the Management Team and reported quarterly to the Board.

**DIRECTORS' / TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Funding Sources

The Trustees are grateful to those who have contributed financially to Yateley Industries in many ways throughout the year. These contributions are essential to keep the Charity running.

Third Party Funding - Yateley Industries reason for existing is to help disabled people, and for that reason it can only operate with substantial third-party funding. TESSG/ATW funding from DWP amounted to £359,924 and Local Authority funding amounted to £202,572.

Grants – We have received several grants during the financial year. Some of these have been for core funding which is essential to the organisation. Other grants have been received which include support in purchasing PPE which has been essential this year and for estate improvements.

Legacies - A way to support us is to remember Yateley Industries in wills. A solicitor can advise on a form of words for a bequest.

Online Shopping – Donations for Yateley Industries can now be raised by those shopping through Amazon (at no cost to the person shopping) by choosing Yateley Industries as their beneficiary: www.smile.amazon.co.uk.

Subscriptions - We would like to take this opportunity to thank all Members of the Association for their annual subscriptions, and our many other supporters who have contributed to the charity over the past year. Currently the Association has **38** members.

Donations - All donations, whether cash gifts or gifts in kind, however small, and whatever form are always most welcome. Online donations can be made on Yateley Industries' Just Giving page: <https://www.justgiving.com/yateleyindustries>

Donations can be enhanced via Gift Aid in certain circumstances. The Finance Office is happy to provide details on request.

The Association wishes to record its gratitude to the following Charitable Trusts, companies, groups and individuals who have made donations to the Charity in the year:

Amazon Smile
Arnold Clark
Mr & Mrs Chapman (re bathroom 3F)
A Fillingham (re Pantry)
Hampshire CC
C Harradine (re fence)
Hart Lottery
Hart Rotary Club
Hartley Wintney Womens Institute
Just Giving
Mr & Mrs McDermott
Paypal Giving Fund
S Peplow (marathon sponsorship)
N Polydorou (re sale of calendars)
Sir Jeremiah Colman Trust
Waitrose Yateley
Yateley U3A
Yateley Cobbler

**DIRECTORS' / TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

PLANS FOR FUTURE PERIODS

During the year the Coronavirus pandemic had a continuing impact on society and this led to some further periodic closures of the shop and factory during the year.

Going forward, the day-to-day finances of the Charity remain stable, and revenues should improve, as workshop sales and accommodation occupancy recover. However, the current year will see increased costs from rising inflation, affected by the supply chain impacts of the Ukrainian war. Our Budget factors in the 7% increase in the National Living Wage (NLW) as from April 2022, and 50%+ increases in energy pricing. The Board strategy developed in 2020 remains in place pending review by the new CEO.

The Board are focussing on building the long-term sustainability of the Charity in order for it to continue to deliver its important objectives.

Key future activities include:

- The Charity needs to repay its loan and pension deficit commitments.
- The Board has been developing a 10-year plan and considers that there is considerable potential in developing the fund-raising capability of the charity. It has secured grant funding to assist in the recruitment of a suitably skilled team.
- Continued engagement with Local Authorities and Central Government to maintain appropriate sources of funding including the Proof of Concept for EESG.
- Developing new business for the factory and Access to Work coaching.
- Promotion of Yateley Industries' public image via a new website and social media strategy in order to place additional emphasis on fundraising opportunities.
- The use of the space vacated by La Galleria restaurant to best fulfil the objects of the Charity.

**DIRECTORS' / TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 31 January 1948 and registered as a charity on 14 October 1963. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and Appointment of Trustees

The Directors of the company are also charity Trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association one third of the Trustees must retire by rotation and stand for re-election at each AGM.

Members of the company must be over the age of 18. There are currently 38 members. The fees for membership of the company are currently set at £10 minimum per annum.

All Members are entitled to nominate Trustees prior to the first scheduled Trustees' meeting before a forthcoming AGM. This is to enable the candidate to be formally introduced to the other Trustees and for the Company Secretary to alert the potential Trustee to the responsibilities and workload entailed.

Trustee Induction and Training

The existing Trustees can appoint any Member of the Association. They are co-opted until the next AGM when they stand for formal election.

All Trustees must accept the responsibilities and the necessary work that is intrinsic to the position. They are required to sign a declaration and agreement outlining these requirements prior to acceptance to the Board.

New Trustees are expected to undertake orientation and training that may be identified as key to the performance of their role. Yateley has an onboarding process for new Trustees to brief them of their legal obligations under charity and company law, the content and the meaning of the Memorandum and Articles of Association, the recent financial performance of the Charity and its future business objectives. Trustees are encouraged to take part in the day to day activities of the residents and customers to enable them to appreciate the needs of disabled people. This has been less possible this year due to the restrictions imposed by the Covid pandemic, but the Trustees look forward to visiting Yateley again more frequently in the next financial year.

Risk Management

The Trustees have a risk management strategy which comprises;

- A business continuity plan with risk matrix and mitigation strategies, which is reviewed at least annually or as often as necessary.
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

**DIRECTORS' / TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

A review of our financial control procedures was conducted during the year.

One of the highest risks to the Charity is the uncertainty with regards to continued Central Government and Local Authority funding. Our CEO will continue to maintain dialogue with key parties to minimise this risk.

Organisational Structure

The Charity is run by the Trustees, who meet at least quarterly and they are aware that they have ultimate responsibility for the Charity and make decisions collectively. The Board has appointed three sub-committees to assist in overseeing priority areas which are: Finance, Internal Affairs and External Affairs.

A salaried CEO is appointed by the Trustees to manage the day to day tactical operations of the Charity. To facilitate effective operations, the CEO has full delegated authority, within terms of delegation approved by the Trustees, for all operational matters including finance management and employment. The remuneration of the CEO is set by the Board with reference to the pay of similar positions in similar companies/charities. The CEO makes recommendations to the board on the remuneration of the Charity's other key management personnel. On a temporary basis and whilst we await the arrival of the new CEO, the Board directly consider any relevant matters.

**DIRECTORS' / TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

The following have been involved with the administration of Yateley during the 2021/22 financial year:

Directors/Trustees

Michael Steel
Dean Fieldus (retired 16 November 2021)
Sarah Beckwith (appointed Chair from 16 November 2021)
Mark Allen
Linda Matthews (resigned 18 May 2021)
Carolyn Gibb
Robert Cousins
Edward Brunel-Cohen
Philip Southwell (appointed 2 June 2021)
Lucy de'Lemos (appointed 13 October 2021)
Neil Blackley (appointed 13 October 2021)

Company Secretary

Sarah Beckwith (resigned 16 November 2021)
Carolyn Gibb (appointed 16 November 2021)

CEO

Sam Peplow (resigned 18 March 2022)

Auditors

Chamberlains Accountancy, Elm House, Tanshire Park, Elstead, Godalming, Surrey, GU8 6LB.

Solicitors

Brabners LLP, Horton House, Exchange Flags, Liverpool, L2 3YL
Downs Solicitors LLP, 156 High Street, Dorking, Surrey, RH4 1BQ.
Knights PLC, Midland House, West Way, Botley, Oxford, OX2 0PH

Banking Services

Barclays Bank Plc, 1 Churchill Place, London E14 5HP
Reliance Bank Limited, 23-24 Lovat Lane, London, EC3R 8EB

Pension Scheme

Dalriada Trustees Limited are the Trustees of the Yateley Industries pension scheme.

Registered Office

Mill Lane
Yateley
Hampshire
GU46 7TF

Company Registration Number

448920

Registered Charity Number

229571

**DIRECTORS' / TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the Directors / Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the surplus or deficit of the company for that period. In preparing those financial statements, the Directors / Trustees are required to:

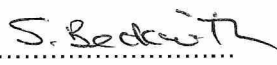
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue on that basis.

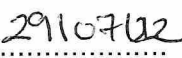
The Directors / Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible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

So far as the Directors / Trustees are aware, there is no relevant audit information of which the auditors are unaware. The Directors / Trustees have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP) FRS102 and in accordance with the special provisions of Part 15 of the Companies Act 2006, applicable to small companies.

Approved by the Board of Trustees on and signed on its behalf by

Signed 

Date 

S. BECKWITH

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

OPINION

We have audited the financial statements of Yateley Industries for the Disabled Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity'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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.


**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is considered to be reasonable in view of our audit work and the evidence obtained as described above.

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.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Chamberlain (Senior Statutory Auditor)
for and on behalf of Chamberlains Statutory Auditors
and Chartered Accountants
Elm House, Tanshire Park
Shackleford Road, Elstead
Godalming
Surrey
GU8 6LB

Date: 4 August 2022

YATELEY INDUSTRIES FOR THE DISABLED LIMITED (A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted general funds	Unrestricted designated funds	Restricted funds	Total funds	Total funds
		2022	2022	2022	2022	2021
		£	£	£	£	£
INCOMING RESOURCES						
Incoming resources from charitable activities	6	804,640	-	-	804,640	827,934
Incoming resources from other trading activities	7	142,204	-	-	142,204	89,212
Incoming resources from donations and legacies	8	118,740	-	-	118,740	495,034
Incoming resources from other income	4	-	-	-	-	53,251
TOTAL INCOMING RESOURCES		1,065,584	-	-	1,065,584	1,465,431
RESOURCES EXPENDED						
Expenditure on raising funds	9	204,429	-	-	204,429	229,010
Expenditure on charitable activities	10	847,863	-	-	847,863	791,915
Expenditure on defined benefit schemes	21	110,000	-	-	110,000	140,000
TOTAL RESOURCES EXPENDED		1,162,292	-	-	1,162,292	1,160,925
NET INCOME/ (EXPENDITURE)		(96,708)	-	-	(96,708)	304,506
Reallocation of depreciation charges between funds		30,291	(30,059)	(232)	-	-
OTHER RECOGNISED GAINS/(LOSSES)						
Actuarial gains/ (losses) on defined benefit schemes	21	341,000	-	-	341,000	(59,000)
Other income relating to defined benefit schemes	21	252,000	-	-	252,000	-
NET MOVEMENT IN FUNDS		526,583	(30,059)	(232)	496,292	245,506
RECONCILIATION OF FUNDS						
Total funds brought forward		(1,820,156)	2,769,395	41,890	991,129	745,623
Total funds carried forward		(1,293,573)	2,739,336	41,658	1,487,421	991,129

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

All income and expenditure derives from continuing activities (2021: all continuing activities with the exception of £53,251 income and £38,521 expenditure relating to the Cricketers pub which was discontinued during the year (Note 4)).

All income received in 2022 related to unrestricted funds (2021: all unrestricted funds).

YATELEY INDUSTRIES FOR THE DISABLED LIMITED (A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	12	<u>3,662,013</u>	<u>3,707,803</u>
		3,662,013	3,707,803
CURRENT ASSETS			
Stock	13	4,609	7,079
Debtors	14	57,249	62,888
Cash at bank and in hand		<u>304,457</u>	<u>397,948</u>
		366,315	467,915
CREDITORS: Amounts falling due within one year	15	(98,858)	(103,609)
NET CURRENT ASSETS		267,457	364,306
TOTAL ASSETS LESS CURRENT LIABILITIES		3,929,470	4,072,109
CREDITORS: Amounts falling due after more than one year	17	(872,049)	(907,980)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>3,057,421</u>	<u>3,164,129</u>
Defined benefit pension scheme liability	21	(1,570,000)	(2,173,000)
TOTAL NET ASSETS	25	<u><u>1,487,421</u></u>	<u><u>991,129</u></u>
FUNDS OF THE CHARITY			
RESTRICTED FUNDS	22	41,658	41,890
UNRESTRICTED FUNDS			
Designated funds:	23		
Revaluation reserve		2,224,157	2,247,546
Designated funds		<u>515,179</u>	<u>521,849</u>
		2,739,336	2,769,395
Unrestricted general funds	24	<u>(1,293,573)</u>	<u>(1,820,156)</u>
TOTAL UNRESTRICTED FUNDS		1,445,763	949,239
TOTAL FUNDS		<u><u>1,487,421</u></u>	<u><u>991,129</u></u>

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102.

These accounts were approved by the Board on *29 July 2022* and signed on its behalf by the following:



MARK ALLEN



EDWARD BRUNEL-COHEN

YATELEY INDUSTRIES FOR THE DISABLED LIMITED (A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Net cash flow from operating activities	27	(17,766)	392,946
Cash flows from investing activities			
Purchases of fixed assets		(1,265)	(7,639)
Net cash from investing activities		(1,265)	(7,639)
Cash flows from financing activities			
Repayment of borrowings		(74,460)	(55,495)
Net cash from financing activities		(74,460)	(55,495)
Net increase/ (decrease) in cash and cash equivalents		(93,491)	329,812
Cash and cash equivalents at beginning of year		397,948	68,136
Cash and cash equivalents at end of year		304,457	397,948
Cash and cash equivalents comprise:			
Cash at bank and in hand		304,457	397,948
Bank overdrafts		-	-
		304,457	397,948

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

1 GENERAL INFORMATION

Yateley Industries for the Disabled Limited is a charitable company, limited by guarantee and incorporated in England and Wales. Its registered office is:

Mill Lane
Yateley
Hampshire
GU46 7TF

The financial statements are presented in Sterling, which is the functional currency of the company, and monetary amounts are rounded to the nearest pound.

2 STATEMENT OF ACCOUNTING POLICIES

Basis of preparation of financial statements

These financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - Charities SORP (FRS 102); the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102); and the Companies Act 2006.

Yateley Industries for the Disabled Limited meets the definition of a public benefit entity under FRS 102.

Going concern

The Trustees have considered going concern and are of the opinion that the charity will continue to operate beyond 12 months of these financial statements being approved. The Trustees therefore consider the going concern basis to be appropriate. If the going concern basis was not appropriate, adjustments would have to be made to reduce the value of assets to their recoverable amounts, to provide for additional liabilities that might arise and to reclassify fixed assets as current assets.

Revenue recognition

Incoming resources are derived from activities of the charity and are stated net of trade discounts and VAT.

Rents receivable represent the rents payable by the disabled tenants, and is received mainly in the form of housing benefits. Rental income is also received from private tenants. Restaurant rent receivable relates to commercial rent received from renting a proportion of the premises to LaGalleria (local restaurant).

Income received by way of donations, legacies, gifts and contributions towards employment and residential costs is included in the statement of financial activities in the year in which it is receivable.

Grants receivable are included in the year in which the offer is conveyed by the charity except in those cases where the offer has conditions, such grants being recognised as income when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are not included in the financial statements.

Charity shop sales represents the value of donated goods sold in the charity shop, and also commissions received by way of selling goods for Genesis Art and SODA stated net of VAT.

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

2 STATEMENT OF ACCOUNTING POLICIES - continued

Tangible fixed assets

Fixed assets, other than land and buildings, are carried at cost less accumulated depreciation and accumulated impairment losses.

Land and buildings includes the freehold factory and bungalows which are carried at their revalued amounts, being fair value at the date of valuation less subsequent depreciation and impairment losses. Revaluations are performed by professional qualified valuers with sufficient regularity to ensure that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amounts of the asset and the net amount is restated to the revalued amount of the asset.

Any revaluation increase and/or decrease in the carrying amount of freehold property is recognised in the statement of financial activities and included in a revaluation reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit and loss, in which case the increase is credited to profit and loss to the extent of the decrease previously expended. Due to the nature of the property the revaluation reserve is included within the designated funds.

Depreciation has been provided at the following rates so as to write off the cost or valuation of the asset less their residual value over their estimated useful lives:

Freehold factory premises	1% straight line basis per annum
Freehold bungalows	1% straight line basis per annum
Factory equipment and motor vehicles	Four to eight years straight line basis
Restaurant furniture and equipment	Four to eight years straight line basis
Fixtures and fittings	10% reducing balance basis per annum
Charity shop furniture and equipment	Four to eight years straight line basis

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in the profit and loss account, and included within governance costs.

All fixed asset additions purchased for continuing use within the charity are capitalised.

Leases

Rentals applicable to operating leases where substantially all of benefits and risks of ownership remain with the lessor are charged against profit on a straight line basis over the lease term.

Payments received under operating leases are recognised as income over the lease term on a straight line basis.

2 STATEMENT OF ACCOUNTING POLICIES - continued

Stock

Stock has been valued at the lower of cost and estimated selling price less cost to complete and sell, after making due allowance for obsolete and slow-moving items. Cost comprises the cost of goods purchased valued on a standard cost basis.

Debtors

Short term debtors are measured at transaction price, less impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and subsequently at amortised cost.

Taxation

The charitable status of the organisation has been confirmed and the company is not liable to corporation tax on its surplus or gains to the extent that they are applied for charitable purposes.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets are measured at cost and are assessed at the end of each reporting period for objective evidence of impairment. Where objective evidence of impairment is found, an impairment loss is recognised in profit and loss.

The impairment loss for financial assets measured at cost is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loan commitments entered into by the company are measured at cost, less any impairment.

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

2 STATEMENT OF ACCOUNTING POLICIES - continued

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Pension fund arrangements

The most recent estimated valuation of the scheme was undertaken by Broadstone Consultants and Actuaries Limited as at 31 March 2022 and has reported a net deficit of £1,570,000. The movement in the year has been recognised within other comprehensive income in the statement of financial activities.

In addition to the above, the company also operates a defined contribution pension scheme under auto-enrolment rules. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the amount payable in the year. Differences between contributions payable and contribution actually paid in the year are shown as either accruals or prepayments in the balance sheet.

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for such expenditure.

Resources are expended in the furtherance of the charity's objectives.

General overhead costs are apportioned depending on the type of expense in the most appropriate way according to the various cost centres.

Fund accounting

Funds held by the charity are:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the directors/trustees.

Designated funds - these are funds that are set aside by the directors/trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds - Restricted funds received are to be used for specifically nominated expenditure by the donor and are credited to income in the year in which they are received. Where amounts are not specifically allocated against expenditure in that year the balance is deferred and added to the balance brought forward on the restricted funds and is used in subsequent years in line with the restrictions placed by the donor.

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

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

No significant accounting estimates and judgements have had to be made by the directors in preparing these financial statements.

4 DISCONTINUED OPERATIONS

The lease for the Cricketers public house was transferred on 10 August 2020.

The income and expenditure incurred during the year ending 31 March 2021 was as follows:

	2022 £	2021 £
Incoming resources		
Incoming resources from other income	-	53,251
	<u>-</u>	<u>53,251</u>
Resources expended		
Direct costs	-	3,463
Salaries	-	24,168
Premises costs	-	9,478
General expenses	-	1,412
	<u>-</u>	<u>38,521</u>
NET INCOME/(EXPENDITURE)	<u>-</u>	<u>14,730</u>

5 STAFF COSTS

Average number of persons employed by the company, including directors, during the year:

	2022 Number	2021 Number
Production	66	70
Sales and distribution	3	5
Administration and management	9	10
	<u>78</u>	<u>85</u>

	2022 £	2021 £
Staff costs incurred during the year in respect of these employees were:		
Wages and salaries	675,219	660,336
Employers NI	19,014	19,622
Pension costs	4,299	4,425
	<u>698,532</u>	<u>684,383</u>

Operating costs of defined benefit pension schemes are disclosed in Note 21.

The emoluments of 1 member of staff are within the range of £60,000- £69,999 (2021: none exceeding £60,000), not including retirement benefits.

The key management personnel of the charity comprise the trustees and the Chief Executive Officer. The total remuneration of key management personnel during the year was £69,002.

During the year, none of the trustees have been remunerated via the charity's payroll scheme and no trustees' expenses occurred.

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

6	INCOME FROM CHARITABLE ACTIVITIES	2022 £	2021 £
	Rent and charges receivable	242,144	270,999
	Charges raised against local authorities:		
	Bracknell Town Council	20,093	16,846
	Wokingham Borough Council	12,334	17,617
	Hampshire County Council	141,734	141,775
	Somerset County Council	13,689	13,558
	North Yorkshire County Council	14,722	15,384
	TESG/ Access to Work grants receivable	359,924	351,755
		<u>804,640</u>	<u>827,934</u>
7	INCOME FROM OTHER TRADING ACTIVITIES	2022 £	2021 £
	Workshop	98,056	80,250
	Charity shop	34,477	8,962
	Community pantry	9,671	-
		<u>142,204</u>	<u>89,212</u>
8	INCOME FROM DONATIONS AND LEGACIES	2022 £	2021 £
	Coronavirus Job Rentention Scheme & Grants	62,943	380,110
	Fundraising	39,127	89,530
	Community pantry	16,670	25,394
		<u>118,740</u>	<u>495,034</u>

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

9 EXPENDITURE ON RAISING FUNDS

	Workshop £	Charity Shop £	Fundraising activities £	Community pantry £	2022 Total £	2021 Total £
Production costs	49,997	-	-	-	49,997	43,518
Salaries	16,404	30,665	946	-	48,015	76,427
Premises costs	20,219	13,008	-	-	33,227	39,803
General expenses	11,604	1,806	-	9,707	23,117	22,886
Depreciation & amortisation	11,813	-	-	-	11,813	11,378
Support costs	19,235	6,563	7,448	5,014	38,260	34,998
	<u>129,272</u>	<u>52,042</u>	<u>8,394</u>	<u>14,721</u>	<u>204,429</u>	<u>229,010</u>

Included in the above are total operating lease payments recognised as an expense amounting to £11,580.

10 EXPENDITURE ON CHARITABLE ACTIVITIES

	Costs in generating rental income £	Charges against local authorities £	TESG/ Access to Work £	2022 Total £	2021 Total £
Salaries	7,953	173,056	339,104	520,113	464,117
Premises costs	51,173	-	-	51,173	56,879
General expenses	48,532	-	-	48,532	31,217
Depreciation & amortisation	35,242	-	-	35,242	35,344
Interest	39,631	-	-	39,631	40,881
Support costs	46,095	38,562	68,515	153,172	163,477
	<u>228,626</u>	<u>211,618</u>	<u>407,619</u>	<u>847,863</u>	<u>791,915</u>

Interest payable relates to a bank loan as detailed in Note 17.

11 ALLOCATION OF SUPPORT COSTS

Support and overhead costs are allocated between fundraising activities and charitable activities.

Governance costs are those support costs which relate to the strategic and day to day management of the charity.

Costs have been apportioned directly to the applicable income stream, where practicable. All other costs have been apportioned on the basis of income proportion.

	Raising funds £	Charitable activities £	2022 Total £	2021 Total £
Legal & professional charges	2,910	11,825	14,735	13,020
Audit & accountancy	1,925	7,825	9,750	13,300
Governance	<u>4,835</u>	<u>19,650</u>	<u>24,485</u>	<u>26,320</u>
Financial administration	7,673	28,870	36,543	28,316
Salaries & related costs	25,752	104,652	130,404	143,839
TOTAL	<u>38,260</u>	<u>153,171</u>	<u>191,432</u>	<u>198,475</u>

All support costs have been allocated to unrestricted funds (2021: unrestricted).

Audit and accountancy costs include £3,750 in respect of the statutory audit and £6,000 in respect of other accountancy services.

YATELEY INDUSTRIES FOR THE DISABLED LIMITED (A COMPANY LIMITED BY GUARANTEE)

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

12	TANGIBLE ASSETS	Freehold factory £	Freehold bungalows £	Factory equipment & motor vehicles £	Restaurant furniture & equipment £	Fixtures & fittings £	Charity shop furniture & equipment £	Total £
	Cost or valuation							
	At 1 April 2021	584,001	3,343,852	239,630	24,295	74,487	1,467	4,267,732
	Additions	-	-	1,058	-	207	-	1,265
	At 31 March 2022	584,001	3,343,852	240,688	24,295	74,694	1,467	4,268,997
	Accumulated depreciation							
	At 1 April 2021	45,681	204,745	227,168	23,788	57,080	1,467	559,929
	Charge for year	5,840	33,439	5,846	127	1,803	-	47,055
	At 31 March 2022	51,521	238,184	233,014	23,915	58,883	1,467	606,984
	Net book value							
	At 1 April 2021	538,320	3,139,107	12,462	507	17,407	-	3,707,803
	At 31 March 2022	532,480	3,105,668	7,674	380	15,811	-	3,662,013

Notes:

- The above assets are all used for direct charitable purposes including the land on which the buildings are situated which was endowed for specific purposes in 1952.
- The cost of the fixed assets represents the gross cost to the company.
- The freehold bungalows and extension consist of 43 units.
- The freehold factory premises includes a workshop, restaurant and ancillary office accommodation. An independent valuation of the factory, restaurant and residential accommodation was completed on 16 May 2019 by Lambert Smith Hampton and concluded the fair value of the site was £3,760,000. The historical cost of the freehold premises was £1,624,532.
- The leasehold costs related to The Cricketers and the improvements to extend the property.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**13 STOCK**

2022	2021
£	£
Raw materials	
4,609	7,079
<u>4,609</u>	<u>7,079</u>

14 DEBTORS

2022	2021
£	£
Trade debtors	21,533
Other debtors	13,813
Prepayments and accrued income	21,903
<u>57,249</u>	<u>62,888</u>

All amounts included above are receivable within one year of the balance sheet date.

15 CREDITORS: amounts falling due within one year

2022	2021
£	£
Banks loans and overdrafts	37,543
Trade creditors	28,567
Taxation and social security	9,701
Accruals and deferred income	15,347
Other creditors	7,700
<u>98,858</u>	<u>103,609</u>

Included within trade creditors are amounts which may be the subject of retention of title clauses.

16 DEFERRED INCOME

Included in accruals and deferred income (Note 15) is deferred income of £2,903 (2021 - £1,185). Deferred income relates to amounts received in advance in respect of receivable leases and grants from local authorities.

£
Balance as at 1 April 2021
1,185
Amount released to incoming resources from generated funds
(1,185)
Amount deferred in year
2,903
<u>2,903</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**17 CREDITORS: amounts falling due after more than one year**

	2022	2021
	£	£
Bank loans and overdrafts	872,049	907,980
	<u>872,049</u>	<u>907,980</u>

The charity has a loan agreement with Reliance Bank of £997,000 which has been fully drawn. The loan agreement is over a 20 year period and carries an annual interest rate of 3.5% above the Bank's Sterling Business Rate. At 31 March 2022, the outstanding loan balance was £909,592 (2021 - £944,140).

Included in the amounts falling due after more than one year are the following amounts which are due in more than five years:

	2022	2021
	£	£
Bank loans and overdrafts	<u>706,252</u>	<u>748,286</u>

Analysis of creditors falling due after more than five years:

	2022	2021
	£	£
Aggregate of instalments which fall due for repayment after five years:		
Bank loans and overdrafts	<u>706,252</u>	<u>748,286</u>

18 SECURED DEBTS

The bank loans and overdrafts, totalling £909,592 (2021 - £944,140), are secured by a first charge over the entity's freehold property, which has a carrying value of £3,638,148.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**19 OPERATING LEASES**

Amounts falling due under operating leases:

	2022 £	2021 £
Expiring in less than one year	10,800	11,486
Expiring in two to five years	-	-
Expiring in more than five years	-	-
	<u>10,800</u>	<u>11,486</u>

20 RECEIVABLE LEASES

Amounts receivable under operating leases

	2022 £	2021 £
Expiring in less than one year	-	22,620
Expiring in two to five years	-	90,480
Expiring in more than five years	-	339,300
	<u>-</u>	<u>452,400</u>

Receivable leasing arrangements relate to commercial rent from the restaurant.

In addition to the amounts detailed above, there are amounts receivable from disabled and private tenants in the freehold properties held by the charity amounting to approximately £200,000 per annum.

21 PENSION COMMITMENTS

The company operated a pension scheme providing benefits based on final pensionable pay, which is now closed to further pension contributions, but will continue to provide payouts to eligible employees in the scheme. The assets of the scheme are held separately from those of the company, being invested by Dalriada Trustees Limited as the pension scheme trustees. Dalriada Trustees Limited were appointed as the pension scheme trustees on 29 August 2013 and prior to their appointment, Verdeplanet Limited were the pension scheme trustees. As the supporting employer, the company makes payments to the scheme where necessary to meet any deficits in the fund.

The most recent valuation was performed for the year ended 31 March 2021. This valuation has determined that there was a net pension deficit at 31 March 2022 of £1,570,000. The deficit for the year ended 31 March 2021 was £2,173,000. The movement in the year has been recorded in the statement of financial activities accordingly.

The company also makes contributions to a defined contribution scheme with NEST to meet their auto-enrolment responsibilities. Contributions payable in the year are charged to the profit and loss accounts. At the end of the year, a balance of £1,144 was due to the scheme.

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

21 PENSION COMMITMENTS - continued

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2022	2021
Discount rate	2.95%	2.25%
Inflation (RPI)	3.35%	3.00%
Inflation (CPI)	2.35%	2.00%
Revaluation in deferment	2.35%	2.00%
Pension increases RPI (3,5)	3.35%	3.00%
Pension increases Fixed 3	3.00%	3.00%
Mortality:		
Base table	S3PXA	S2PXA
Allowance for future improvements	CMI 2020 [0.5%]	CMI 2019 [0.5%]

	2022 £	2021 £
Present value of defined benefit obligation	2,090,000	2,397,000
Fair value of plan assets	(520,000)	(224,000)
Net defined benefit liability	<u>1,570,000</u>	<u>2,173,000</u>

COMPOSITION OF PLAN ASSETS

	2022 £	2021 £
Equities	212,000	159,000
Cash	308,000	65,000
Total plan assets	<u>520,000</u>	<u>224,000</u>

AMOUNTS RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES

	2022 £	2021 £
<i>Included in administrative costs</i>		
Expenses paid	64,000	90,000
	<u>64,000</u>	<u>90,000</u>
<i>Included in finance costs</i>		
Interest on net liability	46,000	50,000
	<u>46,000</u>	<u>50,000</u>
<i>Analysis of actuarial gain included in other comprehensive income</i>		
Actual return on plan assets less interest	21,000	(12,000)
Experience losses on liabilities	225,000	23,000
Change in assumptions	95,000	(70,000)
	<u>341,000</u>	<u>(59,000)</u>

CHANGES IN FAIR VALUE OF PLAN ASSETS

	2022 £	2021 £
Opening fair value of plan assets	224,000	231,000
Employer contributions	120,000	120,000
Other income*	252,000	-
Benefits paid	(41,000)	(31,000)
Expenses paid	(64,000)	(90,000)
Interest income	8,000	6,000
Remeasurement losses on assets	21,000	(12,000)
	<u>520,000</u>	<u>224,000</u>

* Other income of £252,000 relating to the defined benefit scheme was received as compensation for irregularities in earlier years.

CHANGES IN PRESENT VALUE OF DEFINED BENEFIT OBLIGATION

	2022 £	2021 £
Opening defined benefit obligation	2,397,000	2,325,000
Interest cost	54,000	56,000
Benefits paid	(41,000)	(31,000)
Remeasurement (gains)/ losses on defined benefit obligation	(320,000)	47,000
	<u>2,090,000</u>	<u>2,397,000</u>

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

22 RESTRICTED FUNDS

	2022 £	2021 £
At 1 April 2020	41,890	54,702
Charges allocated	(232)	(12,812)
At 31 March 2021	<u>41,658</u>	<u>41,890</u>

Restricted income funds consist of the surplus of donations received towards the purchase of new plant and equipment and expenditure on freehold improvements less the annual charge for depreciation in respect of those assets purchased.

23 DESIGNATED FUNDS

	Balance 1 April 2021 £	Movement in resources - outgoing £	Balance 31 March 2022 £
REVALUATION RESERVE			
Freehold factory premises	402,168	(4,158)	398,010
Freehold bungalows	1,845,378	(19,231)	1,826,147
	<u>2,247,546</u>	<u>(23,389)</u>	<u>2,224,157</u>
DESIGNATED FUNDS			
Freehold factory premises	107,588	(1,479)	106,109
Freehold bungalows	414,261	(5,191)	409,070
	<u>521,849</u>	<u>(6,670)</u>	<u>515,179</u>
TOTAL DESIGNATED FUNDS	<u>2,769,395</u>	<u>(30,059)</u>	<u>2,739,336</u>

Designated funds consist of the initial gift of the land to the charity, together with subsequent expenditure on the construction, extension and subsequent modernisation of the factory and bungalows.

The designated funds are amortised in accordance with the depreciation policy attaching to the asset they were used for.

The freehold property was independently revalued on 29 November 2016 and 16 May 2019, with the increase in value attributed to a revaluation reserve in the designated funds.

24 UNRESTRICTED GENERAL FUNDS

	2022 £	2021 £
At 1 April 2021	(1,820,156)	(2,108,533)
Surplus/ (deficit) of income over expenditure for the year	526,583	288,377
At 31 March 2022	<u>(1,293,573)</u>	<u>(1,820,156)</u>

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

25 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2022 represented by:

	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total funds £
Fixed assets	881,019	2,739,336	41,658	3,662,013
Current assets	366,315	-	-	366,315
Current liabilities	(98,858)	-	-	(98,858)
Liabilities due after more than one year	(2,442,049)	-	-	(2,442,049)
	<u>(1,293,573)</u>	<u>2,739,336</u>	<u>41,658</u>	<u>1,487,421</u>

26 STATEMENT OF FINANCIAL ACTIVITIES- COMPARATIVE FIGURES BY FUND-TYPE

	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total funds 2021 £
INCOMING RESOURCES				
Incoming resources from charitable activities	827,934	-	-	827,934
Incoming resources from other trading activities	89,212	-	-	89,212
Incoming resources from donations and legacies	495,034	-	-	495,034
Incoming resources from other income	53,251	-	-	53,251
Total incoming resources	<u>1,465,431</u>	<u>-</u>	<u>-</u>	<u>1,465,431</u>
RESOURCES EXPENDED				
Expenditure on raising funds	229,010	-	-	229,010
Expenditure on charitable activities	791,915	-	-	791,915
Expenditure on defined benefit schemes	140,000	-	-	140,000
Total resources expended	<u>1,160,925</u>	<u>-</u>	<u>-</u>	<u>1,160,925</u>
Net incoming resources before transfers	304,506	-	-	304,506
Reallocation of depreciation charges between funds	42,871	(30,059)	(12,812)	-
Other comprehensive income				
Actuarial losses on defined benefit plans	(59,000)	-	-	(59,000)
Net movement in funds for the year	288,377	(30,059)	(12,812)	245,506
Total funds at 1 April 2020	(2,108,533)	2,799,454	54,702	745,623
Total funds at 31 March 2021	<u>(1,820,156)</u>	<u>2,769,395</u>	<u>41,890</u>	<u>991,129</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**27 RECONCILIATION OF NET INCOME/ (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2022 £	2021 £
Net income/ (expenditure) for the year	(96,708)	304,506
Adjustments for:		
Depreciation	47,055	46,722
Interest	39,631	40,881
Net pension expense	(10,000)	20,000
(Increase)/ decrease in stocks	2,470	5,530
(Increase)/ decrease in debtors	5,639	53,168
Increase/ (decrease) in creditors	(5,853)	(77,861)
	<u>(17,766)</u>	<u>392,946</u>

28 ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2021 £	Cash flows £	Other non-cash changes £	At 31 March 2022 £
Cash and cash equivalents				
Cash	397,948	(93,491)	-	304,457
	<u>397,948</u>	<u>(93,491)</u>	<u>-</u>	<u>304,457</u>
Borrowings				
Debt due within one year	(36,160)	36,160	(37,543)	(37,543)
Debt due after one year	(907,980)	38,300	(2,369)	(872,049)
	<u>(944,140)</u>	<u>74,460</u>	<u>(39,912)</u>	<u>(909,592)</u>
	<u>(546,192)</u>	<u>(19,031)</u>	<u>(39,912)</u>	<u>(605,135)</u>

28 RELATED PARTY TRANSACTIONS

The company is limited by guarantee and accordingly there is no one controlling party of the company. There were no transactions with related parties during the year.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year.

29 FINANCIAL COMMITMENTS

The company operated a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company, being invested by Dalriada Trustees Limited as the pension scheme trustees. The latest valuation conducted as at 31 March 2022 has reported a deficit of £1,570,000 which has been recognised in the accounts. As the sponsoring employer, Yateley Industries for the Disabled Limited is liable to cover the deficit on the pension fund. Dalriada Trustees Limited and the company are working with the Pension Regulator to agree an affordable recovery plan for the scheme.

