

Charity registration number 237911

Company registration number 817104 (England and Wales)

THE WILVERLEY ASSOCIATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE WILVERLEY ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs Joanne Husband
Mr Paul Stafford
Mrs S Hamilton
Mrs A F Bett
Mrs J Burke

Charity number 237911

Company number 817104

Registered office

Little Haven
Beaulieu Road
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SO45 4JF

Auditor

Azets Audit Services
Athenia House
10-14 Andover Road
Winchester
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Bankers

CAF Bank Limited
25 Kings Hill Avenue
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Lloyds TSB
39 High Street
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Solicitors

Paris Smith LLP
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SO15 2AE

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THE WILVERLEY ASSOCIATION

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THE WILVERLEY ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2022.

Objectives and activities

The Charity's purpose, as set out in the objects clause contained in its articles of association, is:

"To promote the relief of the elderly in accordance with Christian values irrespective of faith, race, gender or creed in a manner which is deemed by law to be charitable".

Our residents and their families are central to our organisation. Their needs and aspirations are met by a committed, professional and respectful care team. Residents' individuality and independence is actively promoted and their contribution to community involvement is encouraged. The Charity's aim is to provide high quality care for those who, whilst mentally alert, need varying levels of support to assist them with their day-to-day activities.

Objectives, strategies and activities

Occupancy

To maintain a high level of occupancy

Be the residential and nursing homes of choice for the local community and the local health trust

National living wage

To keep our Employees above or in line with the National Living Wage

Monitor living wage increases closely and ensure that Employees are paid appropriately

Investment Performance

To generate a respectable level of return on Investments

Invest in sectors that are risk averse and generate an above average rate of return

Staff Turnover

To see a reduction in the staff turnover for 2022/23

Be the destination of choice for nursing, care and domestic assistants. Pay higher rates of pay than local competitors to get the best possible staff

Cost Control

To see continued cost control across the organisation

Continue developing and adhering to financial policies and procedures to ensure costs are always optimal to provide a high standard of care

The Charity operates two Residential and Nursing Homes at Brockenhurst (Forest Oaks) and Dibden Purlieu, Southampton (Little Haven).

Each of the Charity's care homes offers residential, nursing, palliative, respite, convalescent and re-enablement care for the elderly. If the need arises, a seamless transfer through these stages of care can be accomplished with ease.

Forest Oaks and Little Haven both have dedicated Activities coordinators who ensure that residents enjoy a diverse and stimulating range of daily activities such as quizzes, gentle exercise classes, themed events and meals, drinks parties, walks and excursions, films, and other entertainments as well as access to computers and the internet.

Within the constraints of managing Covid 19 risks, an open-door policy for residents and their families is operated at both homes. Visitors are always welcome and volunteers, families and friends are encouraged to participate in the daily activities of the home, especially significant occasions such as birthdays and anniversaries. Residents' guests are readily accommodated for meals and are welcome to join residents in a cup of tea (or coffee) at any time.

THE WILVERLEY ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Forest Oaks, home to 45 residents, enjoys the bustle of village life in a tranquil forest setting. It has easy access to the village centre with its diverse shops, cafes, pubs, restaurants, and mainline railway station. All but 3 rooms are en-suite, with either a wet room or a bathroom. A well-stocked library, lounge, activities room and hairdressing salon.

Little Haven, home to 41 residents, is situated within an easy walk from the village centre and is within close reach of Hythe with its ferry crossing to Southampton. All bedrooms have en-suite toilet facilities and are light and airy with the additional benefit of garden views. There is a lounge with widescreen television for communal viewing, another lounge, activities room and a hairdressing salon. The home, which is friendly and relaxed, is set in an acre of part-wooded terraced gardens offering level walks, raised garden beds and comfortable seating areas.

At both homes, catering and housekeeping teams provide full services; whilst kitchenettes and laundry facilities are maintained for our more independent residents. Residents can choose to enjoy meals in the relaxed atmosphere of the dining room or in the privacy of their own room. Our seasonal menus and popular themed events provide an opportunity for residents to socialise. The Chef at each home meets with each new resident to discuss their dietary preferences or special requirements. Beverages and snacks are also available 24 hours a day. A lunchtime sherry party for residents is held every day and continues to be popular as well as encouraging social interaction.

Local GPs visit and our residents are helped to access a wide range of trusted community services, including Oakhaven Hospice. Residents also have access to the services of a dentist, chiropodist, hairdresser, reflexologist, and an optician. Both homes offer individual care provided by dedicated and professional teams most of whom live in the local community. The homes are able to provide a seamless transfer from residential to nursing care should the need arise.

Public benefit

When carrying out the review and planning future activities, the Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Social investment policies

The Wilverley Association has 3 benevolent funds set up to allow the charity to help individual residents at Forest Oaks and Little Haven who may require some assistance with their fees.

To be eligible for consideration for assistance, residents must have been resident in either Forest Oaks or Little Haven for at least 3 years and have sought assistance from other charity organisations. As income ascribed to the benevolent fund's assets is limited, the Trustees have set a weekly limit for assistance, which is kept under review.

Use of volunteers

While The Wilverley Association has not recently benefitted from the input of volunteers to the extent it would ideally like, it is grateful to all the people who voluntarily give their valuable time to ensure that services and activities are delivered to the highest possible standard. Volunteer support is recognised as a key element of our service delivery.

THE WILVERLEY ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Strategic report

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2022, in compliance with s414C of the Companies Act 2006.

Financial review

Policy on reserves

Free Reserves available for use by the Charity are deemed to be those that are readily realisable, less funds whose use is restricted or designated for particular purposes. Thus, the calculation of Free Reserves excludes property and other fixed assets that continue to be used in the day-to-day operation of the Charity and in particular the buildings used by Forest Oaks and Little Haven.

As a matter of policy, the Trustees regularly review the value of the reserves required to be held in investments, cash and cash equivalents not restricted to or designated for any particular purpose. Ideally the Trustees believe that a General Reserve equivalent to 3 months' normal charitable expenditure is needed to provide adequate working capital, to create a buffer in case of a sudden reduction in resident numbers and to allow for fluctuations in investment return.

On 31 March 2022 the General Reserve was £1,541,796 [2021: £1,187,328] – equivalent to 4.03 months of charitable expenditure [2021: 3.25 months]. The Trustees continue to review the achievability of the objective against the context of investing in the environment each home offers to its residents.

The Property and Equipment Fund represents the net book value of fixed assets, which have been purchased with unrestricted funds. This reserve is locked into the value of the two homes and their associated fixtures and fittings and the value can be released only if one or both of the homes were sold.

The Repairs and Improvement Fund of £50,000 [2021: £50,000] is held to fund major repairs, improvements and renewals to the twin estates at Forest Oaks and Little Haven.

The Fees Subsidy Reserve of £906,501 [2021: £915,219] is a sum set aside from legacies received to provide the Wilverley Association Benevolent Fund (WABF) with a capital base (together with restricted funds with the same aims) from which to earn interest allowing small weekly grants to be made to help support any long term resident who would otherwise need to move homes because of their reduced financial circumstances. The Trustees will actively manage this reserve to balance supporting financially disadvantaged residents with the need to make improvements to the homes.

Investment policy and objectives

The trustees would ideally like to see a 4% return on the investments, in light of current market conditions and a "balanced" risk portfolio, as advised by TWA's investment advisers.

Principal risks and uncertainties

Risk management

The Wilverley Association's approach to risk management is designed to ensure that it remains alert to those external and internal factors that could affect its ability to operate effectively, or even at all. The work of establishing the risks facing The Wilverley Association and ensuring suitable mitigating action is being taken is challenging, given the evolution of government policy as it reacts to national and international events. This has been exemplified by the continuing impact of Covid 19 and the measures required to keep our residents and staff safe in the light of NHS pressures to free beds. It is thanks to the dedication of the staff at each home that the particular risks presented by Covid 19 have been managed so effectively.

THE WILVERLEY ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Key identified risks

Throughout the period from 2020 to the present day, our home management teams and staff have maintained infection control measures, which have proved and are continuing to prove extremely effective. Transitioning to more relaxed visiting arrangements has been managed successfully, but is under continual review as circumstances and guidance change. Even with the development of an effective vaccine, the virus will be with us for an indefinite period, and management will need to plan for the higher risks presented by Covid-19 and the variants of concern, which may continue to emerge as winter approaches.

While Covid-19 represents a health risk to residents and staff, it continues to represent a financial risk. It impacts on occupancy, staff and supply costs and expenditure on extra measures required to mitigate the health risk. TWA budgets for the forthcoming year reflect management's best estimates of the continuing financial impact.

Recruitment remains a challenge within the association due to a national shortage of nursing staff. Benchmarking of salaries for both nurses and health care assistants is a regular activity within the association to ensure that we remain competitive. As the prospect of higher inflation and the consequent pressure on salaries and wages materialises, flexibility in staffing and careful monitoring of staff budgets will be a priority. At Forest Oaks and Little Haven, we benefit from a well-established and committed care team and we remain grateful for the services that they provide.

While care staff recruitment is a challenge, TWA has also recently lost its finance manager, leaving for higher pay and the option of working from home. This is in addition to the departure by mutual agreement of the CEO. Both post holders left TWA some two months after the 2022-year end. Replacements for both posts have been found, with an Interim CEO leading the organisation for at least 9 months.

Both buildings need regular enhancement in order to remain appropriate and comfortable for our residents. The trustees are currently looking at those improvements as part of the strategic planning for both homes. The status of Anton House, the residential property owned by TWA, is also under review.

Structure, governance and management

Nature of governing document

The Charity is a registered charity (No. 237911) and a company (No. 817104) limited by guarantee. Its registered office is shown on the Reference and Administrative Details page of this report. The Charity is governed by its Memorandum and Articles of Association adopted on 26 August 1964 as amended by Special Resolutions passed on 30 March 2017 and 23rd February 2021.

Recruitment and appointment of trustees

The present Trustees and any past Trustees who served during the year are shown on the first page, as at the date of the signing of this report.

The Trustees review regularly the composition of the Board. The Trustees look at the blend of experience and skills of all Trustees to ensure that these meet the needs of the Charity. Where vacancies arise, a recruitment drive is undertaken.

The Trustees are covered by an indemnity insurance policy.

Induction and training of trustees

Trustees are issued with a full induction pack including the associations information pack, an introduction to The Wilverley Association, charity commission guidance, fit and proper persons information, the 'how to' of trustee board meetings and the volunteer handbook.

Arrangements for setting key management personal remuneration

The key management personnel are the Chief Executive Officer and senior management team.

THE WILVERLEY ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Organisational structure

The Chief Executive Officer is responsible for the day-to-day management of the Charity's affairs and for implementing policies agreed by the Trustees. The day-to-day running of Forest Oaks and Little Haven is delegated by the CEO to the Home Managers. The Finance and other Business activities are managed by the CEO and SMT.

Statement of trustees' responsibilities

The trustees, who are also the directors of The Wilverley Association for the purpose of company law, 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).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

The trustees' report, including the strategic report, was approved by the Board of Trustees.

Mrs Joanne Husband
Trustee

24 January 2023

THE WILVERLEY ASSOCIATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE WILVERLEY ASSOCIATION

Opinion

We have audited the financial statements of The Wilverley Association (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 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 charitable company's affairs as at 31 March 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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report 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

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.

THE WILVERLEY ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE WILVERLEY ASSOCIATION

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 purpose 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

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.

A further description of our responsibilities is available 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.

THE WILVERLEY ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE WILVERLEY ASSOCIATION

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.

Michael Tizard (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

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Chartered Accountants
Statutory Auditor

Athenia House
10-14 Andover Road
Winchester
Hampshire
United Kingdom
SO23 7BS

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

THE WILVERLEY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Total 2021 £
	Notes					
<u>Income from:</u>						
Donations and legacies	3	9,866	-	-	9,866	7,678
Charitable activities	4	4,416,587	-	-	4,416,587	4,239,016
Investments	5	67,331	-	-	67,331	62,044
Other income	6	215,668	-	-	215,668	243,924
Total income		4,709,452	-	-	4,709,452	4,552,662
<u>Expenditure on:</u>						
Investment management costs	7	12,707	-	-	12,707	30,068
Charitable activities	8	4,594,697	-	-	4,594,697	4,389,756
Total resources expended		4,607,404	-	-	4,607,404	4,419,824
Net gains on investments	12	252,420	-	-	252,420	337,287
Net movement in funds		354,468	-	-	354,468	470,125
Fund balances at 1 April 2021		3,949,310	510,995	560,537	5,020,842	4,550,717
Fund balances at 31 March 2022		4,303,778	510,995	560,537	5,375,310	5,020,842

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE WILVERLEY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	7,028	650	-	7,678
Charitable activities	4	4,239,016	-	-	4,239,016
Investments	5	62,044	-	-	62,044
Other income	6	243,924	-	-	243,924
Total income		4,552,012	650	-	4,552,662
<u>Expenditure on:</u>					
Investment management costs	7	30,068	-	-	30,068
Charitable activities	8	4,375,231	14,525	-	4,389,756
Total resources expended		4,405,299	14,525	-	4,419,824
Net gains on investments	12	337,287	-	-	337,287
Net movement in funds		484,000	(13,875)	-	470,125
Fund balances at 1 April 2020		3,465,310	524,870	560,537	4,550,717
Fund balances at 31 March 2021		3,949,310	510,995	560,537	5,020,842

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE WILVERLEY ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13	2,549,146		2,603,361	
Investment properties	14	850,000		675,000	
Investments	15	1,888,930		1,779,686	
		5,288,076		5,058,047	
Current assets					
Stocks	17	-		10,000	
Debtors	18	150,766		225,830	
Cash at bank and in hand		308,406		150,442	
		459,172		386,272	
Creditors: amounts falling due within one year	19	(371,938)		(423,477)	
Net current assets/(liabilities)			87,234		(37,205)
Total assets less current liabilities			5,375,310		5,020,842
Capital funds					
Endowment funds - general	20	560,537		560,537	
Income funds					
Restricted funds	21	510,995		510,995	
<u>Unrestricted funds</u>					
Designated funds	22	2,953,828		2,761,982	
General unrestricted funds		1,349,950		1,187,328	
			4,303,778		3,949,310
			5,375,310		5,020,842

THE WILVERLEY ASSOCIATION

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 24 January 2023

Mrs Joanne Husband
Trustee

Mr Paul Stafford
Trustee

Company registration number 817104

THE WILVERLEY ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	26		181,870		53,883
Investing activities					
Purchase of tangible fixed assets		(59,413)		(39,167)	
Rent receivable on investment property		22,800		20,040	
Sale of investments		854,140		730,645	
Purchase of other investments		(885,964)		(721,779)	
Dividend income		44,531		41,996	
Investment income received		-		8	
Net cash (used in)/generated from investing activities			(23,906)		31,743
Net increase in cash and cash equivalents			157,964		85,626
Cash and cash equivalents at beginning of year			150,442		64,816
Cash and cash equivalents at end of year			308,406		150,442

THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

The Wilverley Association is a private company limited by guarantee incorporated in England and Wales. The registered office is Little Haven, Beaulieu Road, Dibden Purlieu, SO45 4JF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the 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 charitable company 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.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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 charitable company.

1.4 Income

Income is recognised when the charitable company 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.

Fee income is recognised in the period that the service is provided.

Income from government and other grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, these amounts are deferred. Income received during the year relating to grants wholly covering periods commencing after year end is held as deferred income.

THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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 are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost, net of depreciation and any impairment losses.

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 land and buildings

Straight line over 200 years

Fixtures and fittings

Straight line basis between 3 and 10 years

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 the statement of financial activities.

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 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Stocks

Stocks are stated at the lower of cost and value in use.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.12 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.13 Taxation

The charitable company is exempt from corporation tax on its charitable activities

1.14 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2022	2021	2021	2021
	£	£	£	£
Donations and gifts	9,866	7,028	650	7,678

4 Charitable activities

	2022	2021
	£	£
Residential Fees	3,285,201	2,946,436
Nursing Fees	1,100,833	1,265,992
Respite and Reablement Fees	30,553	26,588
	4,416,587	4,239,016

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Rental income	22,800	20,040
Income from listed investments	44,531	41,996
Interest receivable on bank deposits	-	8
	67,331	62,044

THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Other income

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Hampshire County Council Covid Grant	215,451	197,286
Coronavirus Job Retention Scheme Grant	-	33,772
Other Income	217	12,866
	<hr/>	<hr/>
	215,668	243,924
	<hr/>	<hr/>

7 Investment management costs

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Investment management	12,707	30,068
	<hr/>	<hr/>
	12,707	30,068
	<hr/>	<hr/>

THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

8 Charitable activities

	Provision of care homes 2022 £	Provision of care homes 2021 £
Staff costs	3,002,163	2,943,414
Depreciation	113,628	110,827
Residential and nursing care	554,904	545,970
Catering	185,621	172,785
Premises expenses	369,740	301,265
General running costs	289,428	216,908
	<u>4,515,484</u>	<u>4,291,169</u>
Support costs (see note 9)	67,633	93,686
Governance costs (see note 9)	11,580	4,901
	<u>4,594,697</u>	<u>4,389,756</u>
Analysis by fund		
Unrestricted funds	4,594,697	4,375,231
Restricted funds	-	14,525
	<u></u>	<u></u>

9 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Audit fees	-	11,580	11,580	-	4,901
Other support costs	67,633	-	67,633	93,686	-
	<u>67,633</u>	<u>11,580</u>	<u>79,213</u>	<u>93,686</u>	<u>4,901</u>
Analysed between Charitable activities	67,633	11,580	79,213	93,686	4,901
	<u>67,633</u>	<u>11,580</u>	<u>79,213</u>	<u>93,686</u>	<u>4,901</u>

Governance costs includes payments to the auditors of £9,500 (2021- £3,767) for audit fees.

10 Trustees

Payments totalling £138 (2021: £nil) were made on behalf of trustees in relation to CRB checks.

THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	92	91

Employment costs

	2022 £	2021 £
Wages and salaries	2,736,606	2,679,225
Social security costs	207,059	204,063
Other pension costs	58,498	60,126
	3,002,163	2,943,414

The key management personnel of the charity comprise the senior management team. The total employee benefits, comprising salary and pension contributions of the key management personnel of the charity were £265,777 (2021: £206,351).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£60,001 - £70,000	1	-

12 Net gains/(losses) on investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Revaluation of investments	77,420	337,287
Revaluation of investment properties	175,000	-
	252,420	337,287

THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

13 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 April 2021	3,051,612	929,323	3,980,935
Additions	-	59,413	59,413
At 31 March 2022	3,051,612	988,736	4,040,348
Depreciation and impairment			
At 1 April 2021	607,904	769,670	1,377,574
Depreciation charged in the year	59,828	53,800	113,628
At 31 March 2022	667,732	823,470	1,491,202
Carrying amount			
At 31 March 2022	2,383,880	165,266	2,549,146
At 31 March 2021	2,435,363	167,998	2,603,361

14 Investment property

	2022 £
Fair value	
At 1 April 2021	675,000
Net gains or losses through fair value adjustments	175,000
At 31 March 2022	850,000

The fair value of the investment property has been arrived at on the basis of the expected sale price as advised by independent third party estate agents.

15 Fixed asset investments

	Listed investments £	Cash £	Total £
Cost or valuation			
At 1 April 2021	1,733,411	46,275	1,779,686
Additions	364,553	521,411	885,964
Valuation changes	77,420	-	77,420
Disposals	(476,880)	(377,260)	(854,140)
At 31 March 2022	1,698,504	190,426	1,888,930
Carrying amount			
At 31 March 2022	1,698,504	190,426	1,888,930
At 31 March 2021	1,733,411	46,275	1,779,686

THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16	Financial instruments	2022	2021
		£	£
	Carrying amount of financial assets		
	Instruments measured at fair value through profit or loss	1,698,504	1,733,411
17	Stocks	2022	2021
		£	£
	Consumables	-	10,000
18	Debtors	2022	2021
		£	£
	Amounts falling due within one year:		
	Trade debtors	109,288	178,631
	Other debtors	7,182	20,025
	Prepayments and accrued income	34,296	27,174
		150,766	225,830
19	Creditors: amounts falling due within one year	2022	2021
		£	£
	Other taxation and social security	2,512	50,354
	Trade creditors	151,162	216,376
	Other creditors	191,730	136,796
	Accruals and deferred income	26,534	19,951
		371,938	423,477

THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

20 Endowment funds

Endowment funds represent assets which must be held permanently by the charitable company. Income arising on the endowment funds can be used in accordance with the objects of the charitable company and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 April 2020 £	Movement in funds					Revaluations gains and losses £	Balance at 1 April 2021 £	Movement in funds					Revaluations gains and losses £	Balance at 31 March 2022 £	
		Incoming resources £	Resources expended £	Transfers £	Incoming resources £	Resources expended £			Transfers £	Incoming resources £	Resources expended £	Transfers £				
Expendable Endowments																
E P Clark Legacy	48,130	-	-	-	-	-	-	48,130	-	-	-	-	-	-	-	48,130
G F Clark Legacy	72,043	-	-	-	-	-	-	72,043	-	-	-	-	-	-	-	72,043
A M C Hindson Legacy	211,943	-	-	-	-	-	-	211,943	-	-	-	-	-	-	-	211,943
A F Newitt Legacy	126,792	-	-	-	-	-	-	126,792	-	-	-	-	-	-	-	126,792
L B M Hindson Legacy	101,629	-	-	-	-	-	-	101,629	-	-	-	-	-	-	-	101,629
	560,537	-	-	-	-	-	-	560,537	-	-	-	-	-	-	-	560,537

The monies received under the above endowed funds have been used to finance the costs of major improvements to the properties of Forest Oaks and Little Haven. Thus the value is held within the Tangible Fixed Assets.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes

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THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

21 Restricted funds

(Continued)

Forest Oaks Gift Fund – is a fund set up to provide for extra furnishings and other expenditure at Forest Oaks which The Wilverley Association might otherwise feel unable to provide.

Little Haven Amenity Fund - is a separate fund set up to provide for extra furnishings and other expenditure at Little Haven which The Wilverley Association might otherwise feel unable to provide.

Mrs York Bequest – is a gift by the Mrs York whose capital and income is to be used for the benefit of Forest Oaks.

Forest Oaks Residents Benevolent Fund – is a fund set up to allow The Wilverley Association to help individual residents at Forest Oaks who may require some assistance with their fees.

Little Haven Endowment Fund – is a fund set up to allow The Wilverley Association to help individual residents at Little Haven who may require some assistance with their fees.

Wilverley Association Benevolent Fund – is a fund set up to allow The Wilverley Association to help individual residents at either home, who may require some assistance with their fees.

THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

22 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds					
	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 1 April 2021	Transfers	Balance at 31 March 2022
	£	£	£	£	£	£
Property and equipment fund	1,834,989	2,230,314	(2,268,540)	1,796,763	191,846	1,988,609
Fee subsidy reserve	915,219	-	-	915,219	-	915,219
Repairs and improvement fund	50,000	-	-	50,000	-	50,000
	<u>2,800,208</u>	<u>2,230,314</u>	<u>(2,268,540)</u>	<u>2,761,982</u>	<u>191,846</u>	<u>2,953,828</u>

The property and equipment fund represents the net book value of the tangible fixed assets held for charitable purposes less the amount financed by endowed funds. Since this fund represents existing fixed assets (mainly buildings), it cannot be converted easily into cash and therefore cannot be used to fund other activities.

The Fee Subsidy Reserve has been set up to provide for funds to assist residents who are unable to meet the full cost of the fees.

The repair and improvements fund represents money set aside by the Trustees towards the finance of special maintenance work and planned major improvements to facilities.

THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

23 Analysis of net assets between funds								
	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:								
Tangible assets	1,988,609	-	560,537	2,549,146	246,060	-	560,537	2,603,361
Investment properties	850,000	-	-	850,000	675,000	-	-	675,000
Investments	1,888,930	-	-	1,888,930	814,468	-	-	1,779,686
Current assets/(liabilities)	(423,761)	510,995	-	87,234	(548,200)	510,995	-	(37,205)
	4,303,778	510,995	560,537	5,375,310	1,187,328	510,995	560,537	5,020,842

THE WILVERLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

24 Operating lease commitments

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

	2022 £	2021 £
Within one year	17,366	14,270
Between two and five years	29,038	28,344
	<u>46,404</u>	<u>42,614</u>

25 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

26 Cash generated from operations

	2022 £	2021 £
Surplus for the year	354,468	470,125
Adjustments for:		
Investment income recognised in statement of financial activities	(67,331)	(62,044)
Fair value gains and losses on investment properties	(175,000)	-
Fair value gains and losses on investments	(77,420)	(337,287)
Depreciation and impairment of tangible fixed assets	113,628	110,827
Movements in working capital:		
Decrease in stocks	10,000	-
Decrease/(increase) in debtors	75,064	(85,701)
(Decrease) in creditors	(51,539)	(42,036)
Cash generated from operations	<u>181,870</u>	<u>53,884</u>

27 Analysis of changes in net funds

The charitable company had no debt during the year.