



The Whiteley Homes Trust Annual Report and Financial Statements

Year ended 31 December 2019

The Whiteley Homes Trust

**Annual Report and Financial Statements
for the year ended 31 December 2019**

The Whiteley Homes Trust

Report & Financial Statements

Year Ended

31 December 2019

**Company Registration No. 04957706
(England & Wales)**

**Charity Registration No. 1103056
(England & Wales)**

The Whiteley Homes Trust

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1.0 INTRODUCTION

1.1 Chairman

2019 proved to be a year of significant change and challenge for the Trust.

Firstly, with my appointment as Chairman followed by the renewal and strengthening of the Trustee body with the recruitment of six new trustees.

Following a review of the performance of the Trust by the Board we appointed an Acting Chief Executive, Rachel Hill, and together we have recruited to the Executive some great people with the necessary skills to sustain and deliver the objects of the Trust.

Subsequently, Rachel was appointed to the permanent role following an open recruitment process; she was the outstanding candidate.

Instigating this necessary change is just the start of a journey to achieve our long term goals in a financially sustainable way and delivering the vision of William Whiteley of providing homes for the aged poor.

We have the opportunity to work with our key partners to provide homes and care for the majority of those in need in our borough of Elmbridge over the next decades. We have the land asset but not the financial resources – they have the demand and the means.

Closing the decaying Whiteley House and celebrating the opening of the Eliza Palmer Hub has brought both new opportunities and significant challenges – the cost of care is constantly rising and statutory income fails to match its true cost. This is not just an issue for us, but is a national issue which successive governments have not grasped.

As we moved forward into 2020 with the delivery of our sustainability plan we had no idea of what was about to challenge us and the whole world – the Covid-19 pandemic.

As I write this review and the ‘second wave’ is now with us, it gives me an opportunity to thank all our staff and volunteers for the brilliant way in which they have cared for all in our Village and kept them safe, simultaneously delivering the very necessary changes to the operation of the Trust.

I would also like to thank my fellow trustees for all their hard work and support in the most challenging of times and look forward to delivering the desired outcomes for existing and all future beneficiaries.

Rod Bennion OBE
Chairman
The Whiteley Homes Trust

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1.2 Chief Executive Officer

2019 was a difficult year for the Trust, but it was also one of new beginnings and important achievements. We celebrated spectacular successes early on, winning two national care awards, but later faced major setbacks such as a disappointing Care Quality Commission (CQC) inspection and a new rating of ‘Requires Improvement’.

There were a number of significant changes in the Trust’s leadership. In March, Rod Bennion OBE was appointed Chairman, and in the summer several new Trustees joined the board, collectively bringing fresh talent and expertise to our charity.

In the autumn, following the departure of our former Chief Executive Officer (CEO), I was appointed acting CEO (and confirmed in the post the following year after an external recruitment process). Capacity was boosted in our Care Team and towards the end of the year my former role as Director of Care and Community was filled on an interim basis.

After the appointment of a new Finance Director, there was a critical re-evaluation of our charity’s financial position, and the new Board and Leadership Team also set about reviewing our vision and strategy. Having spent much of 2018 and early 2019 on the construction of our new £10 million nursing home, we needed to refocus on our core charitable aims – providing homes for poor older people.

At the end of 2019 and early 2020, key appointments were made in the Property and Estates Team including the new role of Director of Property, Estates and Housing. This ensured we had the required knowledge and expertise to manage and maintain our housing stock and many listed buildings effectively.

One of our most important decisions was to invest more into our community. We refocussed on the relationship with our beneficiaries by improving our communications and engagement, and successfully built new relationships with corporate supporters and local schools and colleges, to support our volunteer programme.

One of the highlights of 2019 was the opening of the Eliza Palmer Hub, our stunning new nursing home and its Lantern Café in July. This followed the closure of our former much-loved nursing home, Whiteley House. Successfully moving some of our most vulnerable residents into their new home was a huge achievement and will ensure residents continue to receive excellent quality care for years to come. A wonderful official opening event for the Hub followed in the autumn, which serendipitously coincided with the 106th birthday of our oldest resident, Freda Hodgson.

Financial challenges will continue into 2020 and beyond, as the costs of providing housing and care rise rapidly and the income received reduces significantly. We will need to be creative to achieve our goals, but the Trust now has a robust strategy for the future which we believe is realistic given the financial circumstances we face and will help provide for our current beneficiaries and those who will need a home at Whiteley in the years to come.

As I write this in Autumn 2020, during the second wave of Covid-19, we know many of our aspirations for the year will sadly not be realised. 2021 will bring its own challenges, but while we still have mountains to climb, the last year has demonstrated how much we can achieve when we work together as a community.

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To date, we have had one of the lowest rates of Covid locally. This is testament to the commitment and resilience of our amazing staff, volunteers, residents and relatives, of whom I am extremely proud. I would like to take this opportunity to say a very big thank you to them all for their support to our charity and their commitment to keeping Whiteley safe.

Rachel Hill
Chief Executive Officer
The Whiteley Homes Trust

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The annual report includes the Strategic Report in accordance with Companies Act 2006. Sections 2.0 to 13.0 comprise the Strategic Report.

2.0 THE PURPOSE OF THE CHARITY

2.1 Objects

Our founder, William Whiteley bequeathed £1 million to purchase land and erect buildings, "... to be occupied as homes for aged poor persons, preference being given to persons or the wives of persons who have been engaged in commercial or agricultural pursuits". The Whiteley Homes Trust charity was founded in 1907 and began building Whiteley Village at Walton-on-Thames in Surrey in 1914.

In 2004, our Memorandum and Articles of Association were amended to include the objects of providing, "... support services, or facilities to facilitate independent living by older people living within Whiteley Village or in the surrounding area, as the Trustees shall in their absolute discretion determine".

The Trust is committed to delivering the objects and guiding principles of the charity, whilst adapting and improving how we operate to ensure a sustainable future for our Village and everyone who lives and works here.

Our objects are to provide homes for the aged poor and William Whiteley specified that preference should be given to those engaged in commercial or agricultural pursuits, but applications are open to all who qualify following a financial review of income.

2.2 Principal activities

The Trust believes that everyone has the right to live well in a good home as they age, regardless of their limited financial means. We support the health and wellbeing of 450 older people, who are unable to buy or rent their own home on the open market and provide 25% of the specialist housing for older people in the borough of Elmbridge.

2.3 Who the charity helps

By the definition of our founder's will, the beneficiaries of our charity are women over 60 and men over 65 of limited financial means – this is assessed on application.

2.4 How the charity helps

The Whiteley Homes Trust charity owns and manages Whiteley Village. On its 225-acre estate the Trust provides various accommodation for its beneficiaries as well as retail and extensive recreational facilities and a substantial amount of woodland and green space. The charity also provides residents with health and social care if required, and various support and community services.

- Accommodation:** For those able to live independently, our charity provides 252 almshouse cottages for single people and couples. We also offer Huntley House; an extra care facility with 51 flats. Some

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residents require care support which is mostly provided by our staff. The majority of these residents are local-authority funded. Whiteley also features two care homes: a residential care home (Ingram House) with 27 bedrooms mainly for privately funded residents and a nursing home (Eliza Palmer Hub) with 30 beds for both beneficiaries and self-funders. Income contributes to some of the community and care provision across the Village for our beneficiaries, but more must be provided from charitable fundraising.

- **Recreational and retail facilities:** The Trust provides a Village shop, supported by volunteers which also contains a Post Office. There is also a charity shop selling clothes and furniture which is run by resident volunteers. The Village features the Lantern Café, a clubhouse with bar, restaurant and conservatory, a village hall, church, therapy pool, activity centre and allotments, as well as a golf course – all of which are provided free of charge for residents to use (charges apply to purchases in the clubhouse). These facilities are also open to the public and some such as the village hall and pool can be hired for private use. For the enjoyment of our residents, the Trust also maintains the substantial estate comprised of extensive woodland, shrubberies, green spaces, two lakes and other recreational facilities.
- **Community, Health and Wellbeing:** Through its Care at Home Team, the Trust enables residents to live independently at home for as long as possible. We also provide numerous community support services such as pastoral care, support workers, and subsidised physiotherapy from Hobbs Rehabilitation. Our charity also supports the plethora of resident clubs and societies, providing venues free of charge for meetings and events and maintaining the greens for the residents' golf club, putting club and bowling club, for example. We have a village bus, which takes residents to various shops and garden centres regularly, and further afield for daytrips.
- **Income** to support these wider services comes from external lettings to children's nurseries and sports clubs, but this is insufficient to fund all these activities without wider fundraising and more volunteer support.
- **Our People:** The Trust has approximately 150 full time equivalent (FTE) staff. Our Housing and Support Team oversee all new applications and provide support as required to current residents, ensuring they are claiming the correct level of benefits. The Community Services Team support engagement with residents and the social life of the Village – supporting its various clubs and societies. It oversees the charity's volunteer programme, both residents and from the community, and is also responsible for the provision of pastoral care and management of the Village church.

The Care Team provide nursing and residential care in our care facilities and the Care at Home Team support those living independently. The estate is managed by our Property and Estates Team who maintain and care for our numerous listed buildings and extensive green spaces and woodland. These teams are all supported by our Human Resources Team, Learning and Development, Finance, Marketing, Communications, Administration and Reception.

2.5 Where the charity operates

Our charity is based in Walton-upon-Thames, Surrey but takes beneficiaries from all over the UK.

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3.0 OUR STRATEGY

The overarching strategy continues to be to utilise all our assets within the estate to provide as many homes as possible for the elderly poor, whilst also enabling them to have access to health and social care. We intend to continue to review all our supporting activities over the next few years. Our aim is to build a financially sustainable model that supports our residents and enables them to have choices about their own care and support needs whilst simultaneously providing as many homes for the elderly poor in the future as possible. The increasing cost of health and social care, coupled with diminishing resources through public funding, means we will need to be creative in how we achieve this and work collaboratively with all our stakeholders.

The Eliza Palmer Hub provides care for both self-funders who bring much needed income into the Village, as well as an option for existing residents who are no longer able to remain in their almshouses due to deteriorating health. We continue to strive to support independent living for our residents for as long as possible. The age of our almshouses poses some challenges in this respect, but we continue to focus on ensuring our strategy enables us to provide quality homes for more older people of limited means both now and in the future.

4.0 EXTERNAL RELATIONS

During 2019 we began to rebuild relationships with our external stakeholders. The failure to secure planning permission for the future planned developments in 2018 had some negative impact on relationships with the local borough and county councils, but 2019 saw moves to restore this on a more positive footing. A Trustee dinner was held in February 2019 and the leaders of Surrey County Council and Elmbridge Borough Council were invited to join and to present to the Board and the Leadership Team in a social setting.

We are delighted that conversations continue with both these partners about how we can work together to support the housing and care needs of our local community, with sensitivities to the external challenges we all face. These important relationships will help ensure that The Whiteley Homes Trust can be a part of resolving the national and local housing crisis.

In addition, there has been increased activity and partnership working with local health providers such as Surrey Heartlands (North Surrey Clinical Commissioning Group in 2019), working on solutions for a more joined up approach to health and social care amongst the older population, including projects such as 'Restore 2' (looking at early warning systems for deteriorating residents) and a pilot study with IAPT (Improving Access to Psychological Therapies), running face-to-face support sessions for residents within the Village to support mental health and tackle isolation.

5.0 MEASURE OF SUCCESS

The longer term strategy had planned that in 2019 we would not only be seeing the completion of the Eliza Palmer Hub but also the beginning of a new phase of works with the redevelopment of the coal bunker site and Whiteley Walk. Unfortunately, the failure to secure planning for these developments meant that only the Eliza Palmer Hub was completed in 2019. Whilst planning permission was granted

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for Whiteley House (the former nursing home building) to be converted into 44 flats for assisted living accommodation, insufficient funding for the construction phase has seen this work postponed.

Moving 30 residents from Whiteley House into the Eliza Palmer Hub in June 2019 was not without its challenges, but we did so safely and to residents and their families' satisfaction. The new building offers outstanding accommodation with purpose-built facilities and our residents have very much enjoyed their new home with more spacious rooms, en-suite facilities and beautiful views of our grounds from many of the rooms. The opening event in September, led by the Lord Lieutenant of Surrey, Sir Michael Moore Molyneaux and the Mayor of Elmbridge, Cllr Mrs Mary Sheldon, was a resounding success with many local partners and stakeholders attending the celebration event.

In March 2019, the Trust formally appointed Rod Bennion OBE as the new Chairman of the Board and in June 2019 appointed six new Trustees:

- Melbourne Barratt: Chief Executive, Basingstoke and Deane Borough Council
- Michael Berry: Director of Estates, Royal Holloway, University of London
- Tom Hoskin: Managing Director, Group Media Relations, Barclays
- Melanie Lindsay: Partner, Vici Partners
- Fiona McAnena: Partner, Clearhound
- Liz Peace, CBE: Chair of the Shadow Sponsor Board for the Palace of Westminster Restoration and Renewal Project (amongst other senior non-executive roles)

In April, Whiteley House became one of just 35 care homes from across England to have repeated its success in winning the Quality Hallmark Award from the national Gold Standards Framework (GSF) Centre, the UK's largest provider of training in end-of-life care – a very fitting way to conclude the life of this much-loved home which had provided care to so many Whiteley residents over the years.

In October, we were delighted to receive yet another prestigious award, when Ingram House, our residential care home, and the newly opened Eliza Palmer Hub were announced as joint finalists in the Gold Standards Framework Care Home of the Year Awards 2019.

6.0 CHALLENGES

A disappointing CQC inspection in July 2019 led to a refocus from, what had been for most of the year, managing the transition from one care home to another safely and the development of a new building, to reviewing practice and standards within care.

The inspection happened less than two months after the move, and the CQC recognised on the day that the findings may have been different if they had visited a few weeks later, once new routines and processes had been embedded. Nevertheless, CQC reported that we required improvement in all areas except for care where we were rated as 'good'. Additional resource was agreed by the Board following this and a robust action plan is in place and continues to be worked on to ensure care standards are high and residents are kept safe.

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At the time of writing (Autumn 2020), we can report a very positive Covid-19 review by the CQC team, who commented very favourably on the actions we have taken, with Whiteley having one of the lowest rates of Covid infection amongst care homes in the local area. We have also been approached by Surrey Heartlands CCG for advice to other care providers about our key learning points and advice for infection control. We are pleased and relieved that since the start of the pandemic our infection rate has been very low amongst staff and residents, but as we approach the winter months, we are not complacent about the difficulties ahead.

Financial challenges were certainly a feature of 2019, partly exacerbated by a change of Finance Director. The failure of our planning appeal to build additional properties on our estate affected the Trust's ability to increase its revenue by either sale or rental which would have funded more charitable developments in the Village. The cost of subsidising care provision, the delivery of our (unfunded) community services and the need to reduce costs and drive up income have led to significant pressures at operating level.

The refurbishment of Whiteley House was put on hold in June 2019 following a financial review. Instead the Board and Executive have spent the end of 2019 (and into 2020), developing a financial strategy to provide a sustainable solution for the future which enables the upkeep of our 252 beautiful, but expensive to maintain, Grade II listed almshouse cottages housing our beneficiaries, and to find new ways of reducing our overheads and running costs.

As the Trust's original plans now cannot be implemented, the Board and Leadership Team are working on a revised strategy which will not only prepare for the immediate years ahead but also include a long term strategic plan that will lay the foundations for the next 50 to 100 years. The development of a masterplan in collaboration with Elmbridge Borough council will be key to this.

7.0 COMMUNICATIONS AND ENGAGEMENT

Significant steps were taken in 2019 to improve communications and engagement both internally and externally. A new staff intranet was launched in February with regular news content and revamped team pages streamlining colleagues' access to information, forms and policies. During 2019, a project group was formed to redesign and relaunch the Trust's website in close collaboration with teams across the organisation. This was to ensure the final product reflected colleagues' requirements and was fit for purpose, enabling a more streamlined user-focussed approach supporting admissions, recruitment and marketing. Virtually all the content was updated and, although due for launch in January 2020, the website was delivered ahead of schedule in December 2019.

In early 2019, the Village magazine was reviewed. Although a Village institution, satisfaction was poor amongst readers and costs were high. A residents' survey concluded that they wanted to separate Trust content from news about residents and also wanted a new resident-led magazine.

The final edition of the 100+ year old magazine was produced in July 2019. The Trust worked closely over the following months with those who had offered to help establish a new residents' magazine and 'The Octagon' was subsequently launched in October 2019 – an excellent example of Trust and resident collaborative working and a resident-led solution. The Trust initially paused its plans to launch its new monthly newsletter – but 'In Touch' was subsequently launched in Spring 2020.

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In November and early December 2019, a series of face to face engagement sessions were organised to explain the Leadership Team's focus for the coming year, such as delivering financial sustainability and managing and maintaining our property and improving community engagement and communication. Residents were encouraged to ask questions and the resulting FAQs and the Trust's responses were later published.

Overall, the feedback from these sessions was very positive. Residents appreciated the commitment to greater openness and honesty about the challenges ahead and better two-way communications between the Trust leadership and beneficiaries. The smaller, section-based groups enabled more interactive discussion with a greater number of residents feeling able to ask questions. This also enabled a wider reflection of views than in the large AGM-style events held previously, and so a commitment was made to hold these type of engagement events more regularly.

8.0 STAFF

2019 saw many changes within the staffing establishment and within the Leadership Team. As stated previously, the departure of the CEO after six years and the appointment of an interim from the existing team led to another interim appointment for Director of Care and Community. In May 2019 the Chief Financial Officer departed with a new arrival in June 2019. In addition, the Trust recruited a full time Health and Safety Adviser, who joined in June 2019 and has made huge progress in reviewing existing risk assessments to ensure follow up actions were implemented. At the end of the year the Board decided to appoint the new post of Director of Property, Estates and Housing, to reflect the renewed focus on housing and property as key to the charity.

There has been a continued focus on reducing agency costs, although the transition from Whiteley House to the Eliza Palmer Hub necessitated more agency staff than normal to enable a safe transition. The planned cost savings from moving to 30 beds from 76 beds, however, were not fully realised due to challenges of providing nursing care across two floors and ensuring the appropriate staffing ratios.

We relaunched our staff values framework in 2019, with a bespoke values board game which was very kindly designed and produced for us on a pro-bono basis by Cisco UK. This involved all Trust staff participating in a "Playing to our Values" workshop where they had the opportunity to discuss and explore how we demonstrate Respect, Integrity, Ambition and Involvement in our work with residents and each other. Following this, we introduced the Values Hero Awards, enabling staff to nominate colleagues who demonstrate one or more of these values.

We held our third annual Success and Service Awards for Trust employees in 2019, celebrating and thanking those staff who had reached long service milestones, achieved a professional qualification or received a Special Contribution or Values Heroes Award. This is always an uplifting event where Trustees, managers and staff come together to say thank you and congratulations to their colleagues.

Our staff consultation group, 'Your Voice' has been in place for four years. This group contains representatives from all departments of the Trust, with monthly meetings held to share two-way information, suggestions and concerns. The group also organise staff social events which in 2019 culminated in a fabulous Christmas celebration with a live band and buffet supper.

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The nature of the services we provide means that training is a high priority for the Trust, with all staff being required by law to undertake mandatory training. For our nursing and care staff this equates to around 25 hours each year, and approximately 14 hours each year for all other staff.

We also provide many other non-mandatory training to ensure that staff are equipped with the necessary knowledge and skills to deliver their particular roles to the best of their ability. In 2019, 12 employees successfully completed their QCF at level 2 or 3 in Health and Social Care or End-of-Life Care, and a further 12 employees passed their Care Certificate. For the first time, we also enrolled two members of staff onto the Higher Apprenticeship Scheme, training to become Assistant Practitioners. We also introduced a new Mandatory Training Statement for staff in 2019, ensuring they are able to take ownership for their own learning and development.

9.0 COMMUNITY

The number of volunteers in December 2019 was 175 – made up of 105 internal volunteers and 70 external volunteers. This level of support gave 9,238 hours of additional time to engage with residents which equates to £75,844 based on the national minimum wage of £8.21/hr (2018: 7,744 hrs equating to £58,080).

Corporate and group volunteering provided 661 hours of volunteering given by eight local groups which included two schools/colleges and six corporates (2018: 387 hrs by 6 groups). Key projects carried out included: weeding and planning in the Remembrance Garden; painting sheds; clearing out Whiteley House and support for events (such as Whiteley Fayre preparation, Village picnic and Huntley BBQ); and other activities.

The focus for 2019 was to:

- Continue to recruit high quality volunteers through a volunteer recruitment day
- Standardise the volunteer induction and training programme
- Support the running of Trust events such as the Easter Fair and Whiteley Races
- Increase support from group and corporate volunteers
- Increase multigenerational projects within the Village
- Transition volunteer activities across from Whiteley House to the Eliza Palmer Hub for the benefit of our residents, staff and volunteers

All of these were achieved.

Other Community achievements included significant pieces of work being carried out by the Care Partnership Forum such as the writing of a Village Charter and reviewing transport and asset management. 2019 also saw the setting up of a Community Choir which culminated in a Christmas concert performance at Kingsgate Church, which was well-supported by residents, friends and relatives. A Light up a Life event was held in conjunction with Woking Hospice to allow residents and visitors to remember those who have died.

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10.0 PUBLIC BENEFIT

To celebrate our centenary in 2017, the Trust created The Whiteley Foundation for Ageing Well with a forward-focused mission to research and test innovations to help older people now and in the future live better quality lives, regardless of their personal wealth.

In February 2019, the Foundation won an award from the British Society of Gerontology's (BSG) Averil Osborn Award for Participatory Research, providing a £3,000 grant to fund the Foundation's research project in collaboration with University College, London into residents' experiences of coping with and caring for someone with dementia. The project was especially important as it was led by Whiteley residents themselves. In July 2019, two of the residents presented at the BSG's annual conference in Liverpool which was well received from the academic delegates.

The project, entitled, 'You, me and the big D', offered dementia awareness training to villagers and assessed its impact on their behaviour and attitudes towards other residents living with the condition. It also analysed whether training increases residents' willingness and ability to provide support and companionship to others in their community with dementia. The project concluded successfully in August 2019, and following its success, funded by a generous donation, the Foundation is planning a Phase II in 2020 which will enable the Trust to offer more dementia awareness training for residents and staff, as part of our commitment towards becoming a dementia-friendly community.

In June 2019, the Director of the Foundation, Dr Alison Armstrong, spoke at the Almshouse Association conference to launch a new project in partnership with the Association and The Business School (formerly known as Cass), assessing the data held by the almshouse community on what specific impact almshouse living has on life-expectancy. This research is ongoing.

During 2019 other partnerships were strengthened with, for example, the International Longevity Centre and several universities including Surrey, Swansea, Brunel and Manchester, which it is hoped will lay the foundation for future new research collaborations.

11.0 SUBSIDIES

In 2019, the charity subsidised a number of activities which the Trust sees as crucial to the positive health and wellbeing of the residents to enable them to live as healthy both physically and mentally for as long as possible.

These included Hobbs therapies (physiotherapy, occupational therapy and speech and language therapy), the Clubhouse, (which provides affordable food and drink and a social space for residents, helping avoid isolation), the maintenance of the golf course, bowling green, activities centre, heating for the activities centre, provision of chaplaincy services and the running of St Mark's Church, and the Village Shop. In addition, a number of Village beneficiaries were subsidised to be cared for in nursing or residential care facilities or supported by our housing team support workers.

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12.0 REVIEWING SYSTEMS AND PROCESSES TO IMPROVE QUALITY

Following the CQC inspection in July 2019 and the report in October, much work has been done to review processes and procedures to improve the quality of the services we provide to deliver best practice. In 2019 this has focused around care but not exclusively so.

The admissions process was highlighted as an area for review in 2020, and the sustainability plan included a review of all processes throughout all areas of the charity during 2020 with a focus on driving a leaner, more efficient organisation in the future.

A plan for a new electronic system for care was highlighted as a priority and work on this continues into 2020 to ensure due diligence is given to completion of this task. A system which will also benefit housing, finance and HR would be preferable, but it is unlikely one system will fit all.

13.0 CONCLUSION

At the end of 2019 the Leadership Team concluded that the direction for the next 12 months would focus on the following key areas:

Community: To engage with our residents and stakeholders more closely – consulting and involving them whenever it is appropriate to do so

Care: To ensure we fully deliver our care improvement plan ahead of our next CQC inspection

Finances: To ensure that our budget and financial processes enable us to ensure the long-term sustainability of the village

Property: To commission a Stock Condition Survey to inform our priorities in relation to planned maintenance work and to plan a future sinking fund to build up reserves for large-scale property projects over the next decade, such as replacing the district heating plant. For those properties still on electric heating the Trust will trial new infra-red heating solutions. Finally, to start the process of developing plans for the future provision of more almshouses, for which the vision remains undimmed, despite all the challenges

14.0 FINANCIAL REVIEW

14.1 Income: How we raised our money

Income from operational activities decreased in 2019 to £8.1m (2018: £9.0m). This variance was due to a combination of the planned decrease in the numbers of care residents with the closure of Whiteley House and the move to the newly constructed care hub in June 2019, and a fall in the level of donations received in the year.

The principal source of funding for the Trust continued to be charitable activities, particularly amenity charges and fees related to services provided at Huntley House, Ingram House, Whiteley House (for part

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of the year) and the cottages. Charitable activities accounted for 83.0% of total income, whilst trading activities within WVSL Ltd accounted for 5.7% of total income.

2019 Event & Donations

	2019	2019	2018	2018
	£000	%	£000	%
Income from				
Donations and similar resources	105	1.3	266	3.0
Investments	108	1.3	138	1.5
Charitable activities	6,629	82.8	5,199	57.7
Trading activities	456	5.7	2,413	26.8
Other	709	8.9	997	11.1
Total income	8,007	100.0	9,013	100.0

14.2 Expenditure: How we spent our money

The Trust's expenditure on normal activities for the year to December 2019 was £9.3m, an increase of 0.3% in comparison to the previous year which was due to a combination of increased staff and depreciation costs.

2019 Expenditure by cost type

	2019	2019	2018	2018
	£000	%	£000	%
Group expenditure (excluding gains / loss on investments & pensions)				
Fundraising	230	2.5	174	1.9
Staff costs	4,516	48.3	4,351	46.7
Professional charges	48	0.5	250	2.7
Lighting & heating	310	3.3	272	2.9
Repairs and maintenance	523	5.6	513	5.5
Catering costs	520	5.6	656	7.0
Depreciation	1,562	16.7	1,374	14.7
Other	1,640	17.5	1,731	18.6
Total expenditure	9,349	100.0	9,321	100.0

14.3 Capital works and loan draw down

The building of the new nursing care home, the Eliza Palmer Hub, was completed in 2019 and residents began occupying the brand new home from July 2019. The costs to complete the development was funded by a further drawdown of £5.3m in bank loans. The total of the bank loans outstanding at the year end was £16,461k.

The Whiteley Homes Trust

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14.4 Reserves policy

The Trust relies heavily on funds received in respect of amenity charges and care services from local authorities and these depend on local authority funding and policy. This dependence represents a key financial risk to the Trust. Accordingly, the Trust sets aside funds to meet future charitable expenditure to cover the situation should there be a significant short-term drop in income.

The Trustees consider it desirable to have free cash reserves equating to three months' expenditure as an operating contingency balance. Free cash reserves at 31st December 2019 were £2.3m which equates to 3.3 months expenditure.

The Trust's total funds amount to £47.1m (2018 £47.9m), most of which is deployed in property or the Endowment Funds. The balance of funds, known as free reserves, amount to £2.51m (2018 £2.06m).

14.5 Post balance sheet events

In February 2020, the Covid-19 pandemic spread across the world leading to a lockdown by the UK government in late March 2020 to early July 2020. The lockdown resulted in a reduction of income from the club and therapy pool. The reduction in income was managed by use of the Government employment support scheme to furlough staff during the lockdown period and reduce the overall financial impact. The lockdown also led to operational changes within the care homes in order to minimise the risk of infection, and this was successfully achieved with the care facility continuing to operate through 2020. Additional Government funds were received with respect to infection control measures to offset the cost incurred by the Trust.

The worldwide Covid-19 pandemic had a major financial impact leading to significant movements in investment values as a result of market volatility. The impact of this on the performance of the Endowment fund was managed, and quarterly income continued to be received in 2020.

15.0 PRINCIPAL RISKS AND UNCERTAINTIES

15.1 Internal controls assurance

The Board acknowledges that it has overall responsibility for establishing and maintaining the whole system of internal control and for reviewing the effectiveness of the system of internal control, both for the Trust and the Group.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and provides reasonable assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Trust is on-going.

The principal risks and uncertainties, and how those risks are being managed are outlined below.

The Whiteley Homes Trust

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15.2 General

The major risks to which the Trust is exposed, as identified by the Trustees, have been reviewed and systems or procedures have been established to manage those risks. As required, external audits are also conducted. A strategic risk register is maintained and is reviewed by the Main Board at least annually, and the functional sub-committees review parts of their areas of responsibility for risks at most meetings.

Risk assessment is based on an evaluation of the impact and probability of identified risks occurring; a review of the management controls and monitoring processes to manage the risk and re-evaluation of the residual risk impact and probabilities. All staff receive training in risk assessment and the Trust's procedures reflect best practice tailored to local circumstances.

15.3 Income risk

The Board has recognised the risks to the Trust's finances posed by the dependence of its beneficiaries on public sector funding, and the need for the Trust to supplement that. It has been closely monitoring its cash flow and reducing its dependence on such funding where appropriate. Downward pressure on funding and state benefits is expected to continue and will pose challenges to the Trust's management in coming years.

15.4 Regulation and legislation risk

Changes to the way care services are commissioned and funded could have an adverse financial impact on The Whiteley Homes Trust.

The impact of the implementation of future legislation will continue to be monitored and processes for admissions and funding of care will be reshaped accordingly. Legislative risk is mitigated by the Trust differentiating fee rates for different levels of service and maintaining close relationships with key local authorities.

15.5 Development risk

Elements of the Trust's growth plans will be achieved through a programme of development in areas including extra care retirement living, nursing care and independent living properties. Significant risk issues in this area include attracting good staff, decreasing public sector funding and planning permission to build.

15.6 Liquidity risk

The Group's objective is to maintain a balance between cash balances and long-term investments. The Group's policy on liquidity risk is to ensure that there are sufficient cash balances to meet the day-to-day needs of the organisation while investing surplus balances in deposit accounts.

The Whiteley Homes Trust

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15.7 Cash flow risk

Whilst the Group has some level of certainty on monthly cashflows from its property assets, management are focused on maintaining the occupancy levels required to maintain positive cash flow. The Group has clear sight of the need to ensure cashflow is managed to meet all the cash needs including loan interest and capital repayments as well as achieving the financial covenants that have been set by Triodos / Unity banks as part of the funding agreement.

The net current assets position in the balance sheet reflects the recognition of the amount of debt repayable within the year.

15.8 Digital, data and cyber risks

Key risks in this area include cyber-attacks, and over-reliance on external systems management, potentially leading to data loss or temporary loss of service. IT risk is mitigated by the Trust investing in extensive malware protection and security patching and industry standard firewalls. There are also internal restrictions to prevent unauthorised systems access.

15.9 Investment, policy and powers

The Group has investments held within an Endowment Fund. The Trust's investment funds are managed by Waverton Investment Managers. It is the Trust's investment policy to aim to maintain the real value of the capital while also generating income for the Trust.

Performance of the Trust's investment is monitored by the Performance Committee and is also reviewed annually at a Board Meeting. Performance is compared within each portfolio over time, by comparing the relative performance against the Waverton Balanced index and other representative benchmarks.

Total returns for the year have been 12.48% compared with the Waverton Balanced index return of 15.34%. This is viewed as adequate in view of the asset allocations and risk profile set by the Assurance Committee investing for the long term.

15.10 Fundraising approach and performance

The Trust undertakes fundraising activity via fundraising events and sponsored events in line with the Fundraising Code of Practice set by the Fundraising Regulator.

Total fundraising income for the year to December 2019 was £105k, a decrease of 36% in comparison to the previous year.

15.11 Covid-19 pandemic risk

The outbreak of the Covid-19 pandemic in February 2020 posed a significant risk both financially and operationally. Both of these risks were successfully managed in 2020 with minimal financial and

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operational impact during 2020. A second lockdown was put in place by the UK government in November 2020 for an initial period of four weeks. The risks related to Covid-19 will continue and need to be managed until an effective vaccination program is made available across the UK and worldwide.

16.0 GOVERNANCE

16.1 Organisational structure and subsidiaries

The Trust's activities are governed by the Will of William Whiteley and the Charity Commission Scheme which enables the Trust, as corporate Trustee of the William Whiteley Endowment Fund, to manage the assets of both charities as one given that both have identical aims and purposes, and both are governed by the Will.

The Trust has three wholly owned subsidiaries:

1. Whiteley Village Services Limited – a trading subsidiary for the commercial lettings of property, sales from the club house and shop, hall hire and sports field lease income. It continues to donate its operating surplus in full to the Trust to assist it in providing for beneficiaries
2. Whiteley Homes Property C.I.C. – set up to oversee the development of the Whiteley Futures project
3. Whiteley Village Development Company Limited – now dormant, previously providing construction and contract related services to the trust

16.2 Management, decision making and delegation

The Will provides that the Trust must have a minimum of 9 trustees, with no maximum specified, and the serving Board of Trustees is responsible for electing new Trustees. At the start of 2019 the Board comprised eleven Trustees with the number at year end standing at fourteen.

Overall strategic direction is the responsibility of the Board who are supported in this by the Leadership Team, under the CEO. The annual budget and management plan are prepared by the Leadership Team for the approval of the Board prior to the start of the financial year.

The Board delegates responsibility for day to day operations to the Chief Executive and her team, though this is subject to regular and ongoing scrutiny by a series of committees. Financial delegation is subject to a detailed schedule of authorisation levels.

Committees operating during 2019 were:

- The Assurance Committee (reviewing strategic management of risk and responsible for reviewing draft annual report, internal and external audit control, health & safety and policies)
- The Performance Committee (monitors management performance measured against budgets, oversees care, safeguarding, occupancy and HR and scrutinises quarterly management accounts and cashflow ensuring compliance with banking covenants)

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- The Property Development Committee (all aspects of the development of the Care Hub and the renovation of Whiteley House including financial control and risk assessment)

Additional sub committees review:

- Admissions
- Pensions
- Investment
- Annual budget setting and remuneration

A new Finance and Audit Committee was formed in 2020 which reviews and approves the management and financial reports and recommends these to the Main Board of Trustees.

The composition of the Board is reviewed regularly to ensure it has the appropriate skill sets to deliver the strategy and the Board maintains a focus on seeking to recruit new Trustees with carefully identified skills and experience to fill vacancies arising from retirements and resignations. Trustees are elected for an initial four-year term with no limit on the number of renewals. The Chair and Deputy Chair serve a three-year term, renewable once. Newly appointed Trustees are given an induction into the governance, operation and management of the Trust by the CEO in line with a programme agreed with the Chair of Trustees. Ongoing training is provided as the need is identified, with trustees serving on the Assurance Committee receiving training in strategic risk management during the year.

16.3 Remuneration

Key management personnel comprise the CEO and the Leadership Team who are together responsible for directing, controlling, managing and operating the trust on a day to day level.

Staff pay levels are benchmarked against comparables in similar sized local care and support entities, any changes are approved by the Board in the budget setting process.

The remuneration of senior staff is reviewed and was discussed this year for the first time in a formal Remuneration committee.

Information on Trustees' expenses and related party transactions is disclosed in the accounts and Trustees receive no remuneration.

17.0 LEGAL AND ADMINISTRATIVE DETAILS

17.1 Status and administration

The Whiteley Homes Trust was founded in 1907 as a result of the legacy of the late William Whiteley. Registered Office: Eliza Palmer Care Hub, Octagon Road, Whiteley Village, Walton On Thames, Surrey, England, KT12 4ES.

The Trust is Registered Charity Number 1103056 and Company Number 4957706.

The Whiteley Homes Trust

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The Whiteley Homes Trust is the corporate Trustee of the William Whiteley Endowment Trust registered charity number 1103056/1, which owns the permanent endowment. Both charities have identical aims and objects, both being principally governed by the Will of William Whiteley. The scheme that governs The Whiteley Homes Trust contains a Uniting Direction to enable the Trustees to manage the assets of the two charities as one for accounting and reporting purposes.

Trustees (2019)

Mr R Bennion OBE, FRICS, FCIOB,FRSA (Chair)	(appointed 12 March 2019)
Mr M J Barrett	(appointed 18 June 2019, resigned 31 July 2020)
Mr M D Berry	(appointed 18 June 2019)
Dr. BA Castleton MA, MB Bchir, FRCP	
R M Formby	(resigned 30 April 2020)
Mr K Hiscock MA	
Mr T D Hoskin	(appointed 18 June 2019)
Ms M Lindsay	(appointed 18 June 2019)
MS F McAnena	(appointed 18 June 2019)
MS E A Peace CBE	(appointed 18 June 2019)
Mr MA Pomery CVO, MA, FIA	
Mr MG Sadler LLB, MA, FCCA	(appointed Deputy Chair 10 December 2019)
Mr DAM Straughen BA (Hons)	
Mr MFA Tolley BSc, PPCSI	

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Senior Management Team (2019)

C. McGowan: Chief Executive Officer	(resigned 24 October 2019)
R. Hill: Chief Executive Officer	(appointed 1 May 2020)
R. Hill: Acting Chief Executive Officer	(appointed 4 November 2019, resigned 30 April 2020)
R. Hill: Director of Care and Community	(resigned 3 November 2019)
K. Humphrys: Interim Director of Care	(appointed 11 November 2019, resigned 11 February 2020)
K. Humphrys: Director of Care	(appointed 12 February 2020)
A. Armstrong: Interim Director of Foundation and Community	(appointed 4 November 2019, resigned 30 April 2020)
K. Sargent: Director of People and Transformation	(resigned 10 May 2019)
H. Singh: Director of Corporate Services	(appointed 3 June 2019, resigned 29 June 2020)
S. Cavendish: Chief Financial Officer	
J. Joshi: Interim Chief Financial Officer	(appointed 7 July 2020)

17.2 Professional advisors

- Bankers: Lloyds Bank, 83 High Street, Walton-on-Thames, Surrey KT12 1DU
- Solicitors: Farrer & Co LLP, 66 Lincolns Inn Fields, London WC2A 3LH
- Investment Advisors: Waverton Investment Management Limited, 16 Babmaes Street, London SW1Y 6AH
- External Auditors: Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG
- Internal Auditors: Crowe Clark Whitehill LLP, St Bride's House, 10 Salisbury Square, London EC4Y 8EH
- Health & Safety Advisors: THSP Risk Management, 16c Market Square, Sandy, Bedfordshire SG19 1HU

17.3 Statement by the Chair of Trustees

The current trustees have all taken the steps that are required to make themselves aware of any information needed by the Trust's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The trustees are not aware of any relevant audit information of which the auditors are unaware.

Haysmacintyre LLP was appointed as the company's auditor by the directors and have expressed their willingness to continue in office. Under the Companies Act 2006 section 487(2) they will be automatically re-appointed as auditors 28 days after these accounts are sent to the members, unless the members exercise their rights under the Companies Act 2006 to prevent their re-appointment.

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18.0 TRUSTEES' RESPONSIBILITIES

The Trustees' are responsible for preparing the Trustees Report, which incorporates the Strategic Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (GAAP) United Kingdom Accounting Standards and applicable Law. Under Company law the Trustees' must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of Charities SORP;
- Make judgements and accounting 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

This report, including the Strategic report were approved by the Board of Trustees and signed on its behalf by:

Rodney Bennion
Chair

Date:

Rachel Hill
Chief Executive Officer

Date:

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2019

Independent auditor's report to the members of the Whiteley Homes Trust

Opinion

We have audited the financial statements of the Whiteley Homes Trust for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated and Parent Charitable Company Cash Flow Statements and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2019 and of the group's and parent charitable company's net movement in funds, including the 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 18, 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 [group's and the parent] 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2019

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and the Chief Executive's statement. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report, which are included in the Trustees' Annual Report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which includes the strategic report and the directors' report).

The Whiteley Homes Trust

Annual Report and Financial Statements for the year ended 31 December 2019

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

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company 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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Weaver (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

The Whiteley Homes Trust

Consolidated Statement of Financial Activities for the year ended 31 December 2019

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £
Income from:					
Donations and similar resources		31,605	73,641	-	105,246
Investment income		107,600	-	-	107,600
Charitable activities - amenity charges and fees		6,628,709	-	-	6,628,709
Trading activities	3	455,913	-	-	455,913
Other	4	706,751	-	-	706,751
Net gain on disposal of fixed assets		3,000	-	-	3,000
Total income		7,933,578	73,641	-	8,007,219
Expenditure on:					
Charitable activities:					
Cost of provision of homes		8,440,156	165,158	57,458	8,662,772
Cost of raising funds:					
Cost of generating funds		230,376	-	-	230,376
Cost of trading activities		455,913	-	-	455,913
Total expenditure	5	9,126,445	165,158	57,458	9,349,061
Net income/(expenditure) before gains and losses on Investments		(1,192,867)	(91,517)	(57,458)	(1,341,842)
Realised and unrealised investment gains		-	-	447,744	447,744
Net income/expenditure		(1,192,867)	(91,517)	390,286	(894,098)
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension scheme	18	134,000	-	-	134,000
Net movements in funds		(1,058,867)	(91,517)	390,286	(760,098)
Balance brought forward at 1 January 2018		38,529,477	2,657,903	6,690,636	47,878,016
Balance carried forward at 31 December 2019		37,470,610	2,566,386	7,080,922	47,117,918
Total funds					47,117,918
Less endowment funds and restricted funds					(9,647,308)
Less unrestricted fixed assets (net of related funding)					(34,104,438)
Deduct pension reserve asset					(852,000)
Free reserves					2,514,172

No separate income and expenditure account as required under the Companies Act 2006 has been presented, as the only difference between the net expenditure for the year before investment gains and transfers, (£1,341,842), and the net expenditure for the year as defined by the Companies Act, (£1,284,386), are the expenditure and gains relating to the charity's endowment funds presented above.

All amounts relate to continuing activities. All gains and losses recognised in the year are included above. The notes on pages 33 to 52 form part of these financial statements.

The Whiteley Homes Trust

Consolidated Statement of Financial Activities for the year ended 31 December 2018

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2018 £
Income from:					
Donations and similar resources		64,865	100,000	101,611	266,476
Investment income		138,475	-	-	138,475
Charitable activities - amenity charges and fees		5,198,677	-	-	5,198,677
Trading activities	3	2,413,289	-	-	2,413,289
Other	4	995,476	-	-	995,476
Net gain on disposal of fixed assets		1,020	-	-	1,020
Total income		8,811,802	100,000	101,611	9,013,413
Expenditure on:					
Charitable activities:					
Cost of provision of homes		6,441,576	15,000	57,458	6,514,034
Cost of raising funds:					
Cost of generating funds		171,407	-	-	171,407
Cost of trading activities		2,635,358	-	-	2,635,358
Total expenditure	5	9,248,341	15,000	57,458	9,320,799
Net income/(expenditure) before gains and losses on Investments		(436,539)	85,000	44,153	(307,386)
Realised and unrealised investment gains		-	-	(58,510)	(58,510)
Net income/expenditure		(436,539)	85,000	(14,357)	(365,896)
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension scheme	18	(74,000)	-	-	(74,000)
Net movements in funds		(510,539)	85,000	(14,357)	(439,896)
Balance brought forward at 1 January 2017		39,040,016	2,572,903	6,704,993	48,317,912
Balance carried forward at 31 December 2018		38,529,477	2,657,903	6,690,636	47,878,016
Total funds					47,876,016
Less endowment funds and restricted funds					(9,348,540)
Less unrestricted fixed assets (net of related funding)					(35,795,758)
Deduct pension reserve asset					(676,000)
Free reserves					2,055,718

No separate income and expenditure account as required under the Companies Act 2006 has been presented, as the only difference between the net incoming resources for the year before investment gains and transfers, (-£307,386), and the net income for the year as defined by the Companies Act, (£365,896), are the expenditure and gains relating to the charity's endowment funds presented above.

All amounts relate to continuing activities. All gains and losses recognised in the year are included above. The notes on pages 33 to 52 form part of these financial statements.

The Whiteley Homes Trust

Consolidated Balance Sheet as at 31 December 2019

Company Registration No. 04957706 (England and Wales)

	Note	2019 £	2019 £	2018 £	2018 £
Fixed assets	7	52,957,857		49,529,244	
Investments	8	8,775,000		8,324,655	
Total Fixed Assets			61,732,957		57,853,899
Current assets					
Stocks		15,717		15,717	
Sundry debtors and prepayments	9	302,328		266,474	
Cash and cash equivalents		1,673,634		1,503,016	
			1,991,679		1,785,207
Creditors: amounts falling due within one year	10	997,886		1,285,881	
Net current assets/ (liabilities)			993,793		499,326
Total assets less current assets/ (liabilities)			62,726,750		58,353,225
Creditors: amounts falling due after more than one year	11	16,460,832		11,151,209	
Pension scheme funding asset	18	(852,000)		(676,000)	
			(15,608,832)		(10,475,209)
Net assets			47,117,918		47,878,016
Financed by:					
Funds of the charity					
Endowment fund	13		7,080,922		6,690,636
Restricted funds	14		2,566,386		2,657,903
Unrestricted funds:					
- Fixed assets: less related funding		26,995,532		28,686,852	
- Fixed assets: revaluation reserve		7,108,906		7,108,906	
- Free reserves: other		2,514,172		2,057,719	
			36,618,610		37,853,477
- Pension Reserve asset	18	852,000		676,000	
	15		37,470,610		38,529,477
			47,117,918		47,878,016

Approved and authorised for issue on behalf of the Trustees on

by:

R Bennion - Chair

The notes on pages 33 to 52 form part of these financial statements

M Sadler - Trustee

The Whiteley Homes Trust

Charity Balance Sheet as at 31 December 2019

Company Registration No. 04957706 (England and Wales)

	Note	2019 £	2019 £	2018 £	2018 £
Fixed assets	7	41,356,902		42,416,754	
Investments	8	8,775,103		8,324,655	
Total Fixed Assets			50,132,005		50,741,409
Current assets					
Stocks		15,717		15,717	
Sundry debtors and prepayments	9	12,550,628		7,105,385	
Cash and cash equivalents		1,030,384		1,314,715	
		_____		_____	
		13,596,729		8,435,817	
Creditors: amounts falling due within one year	10	1,040,397		1,006,632	
Net current assets/(liabilities)		_____	12,556,332	_____	7,429,185
Total assets less current assets/(liabilities)			62,688,337		58,170,594
Creditors: amounts falling due after more than one year	11	16,460,832		11,151,209	
Pension scheme funding asset	18	(852,000)		(676,000)	
		_____	(15,608,832)	_____	(10,475,209)
Net assets			47,079,505		47,695,385
Financed by:			_____	_____	_____
Funds of the charity					
Endowment fund	13		7,080,922		6,690,636
Restricted funds	14		2,566,386		2,657,903
Unrestricted funds:					
- Fixed assets less related funding		22,503,484		28,686,852	
- Free reserves revaluation reserve		7,108,906		7,108,906	
- Free reserves: other		6,967,807		1,875,088	

- Pension Reserve asset	18	36,580,197		37,670,846	
		852,000		676,000	

	15		37,432,197		38,346,846

			47,079,505		47,695,385
		_____			_____

The Charity's movement in reserves for the year was -£615,881 (2018: -£219,111)

Approved and authorised for issue on behalf of the Trustees on _____ by:

R Bennion - Chair

M Sadler - Trustee

The notes on pages 33 to 52 form part of these financial statements

The Whiteley Homes Trust

Consolidated Statement of Cash Flows for the year ended 31 December 2019

	Note	2019 £	2019 £	2018 £	2018 £
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	19		(255,963)		659,403
Cash flows from investing activities					
Interest and dividends received		107,600		138,476	
Purchase of tangible fixed assets		(4,991,042)		(4,937,463)	
Receipts from sale of tangible fixed assets		3,000		1,020	
Purchase of investments from Endowment funds		(1,141,982)		(1,168,638)	
Sale of investments from Endowment funds		1,141,982		1,168,638	
Addition of bank deposit investment		(2,600)		(836,000)	
Disposal of Bank deposit investment		-		833,127	
			(4,883,042)		(4,800,840)
Cash flows from financing activities					
Receipt of loan monies		5,309,622		3,151,209	
			5,309,622		3,151,209
Increase/(decrease) in cash and cash equivalents in the year			170,617		(990,228)
Cash and cash equivalents at the beginning of the year			1,503,016		2,493,244
Total cash and cash equivalents at the end of the year			1,673,633		1,503,016

The notes on pages 33 to 52 form part of these financial statements.

The Whiteley Homes Trust

Charity Statement of Cash Flows for the year ended 31 December 2019

	Note	2019 £	2019 £	2018 £	2018 £
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	19		(5,380,930)		(3,763,248)
Cash flows from investing activities					
Interest received		107,600		138,476	
Purchase of tangible fixed assets		(321,023)		(85,315)	
Receipts from sale of tangible fixed assets		3,000		1,020	
Purchase of investments from endowment funds		(1,141,982)		(1,168,638)	
Sale of investments from Endowment funds		1,141,982		1,168,638	
Addition of bank deposit investment		(2,600)		(836,000)	
Disposal of Bank deposit investment		-		833,127	
			(213,023)		51,308
Cash flows from financing activities					
Receipt of loan facility		5,309,622		3,151,209	
			5,309,622		3,151,209
Increase/(decrease) in cash and cash equivalents in the year			(284,331)		(560,731)
Cash and cash equivalents at the beginning of the year		1,314,715		1,875,446	
Total cash and cash equivalents at the end of year		1,030,384		1,314,715	

The notes on pages 33 to 52 form part of these financial statements.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019

1 Status

The Trust was established by the Will of Mr W Whiteley which was proved on 16 April 1907. The Trust is a registered company and charity in England and Wales.

2 Accounting policies

Basis of accounting

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Statement of Recommended Practice *Accounting and reporting by charities* (Charities SORP (FRS102)) (Second Edition, effective 1 January 2019) and the companies act 2006.

The Whiteley Homes Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Basis of consolidation

The Charity only figures in these financial statements combine the activities of The Whiteley Homes Trust with those of the William Whiteley Endowment Trust under a uniting direction put in place by the Charity Commission, dated 23 December 2004.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The charitable company's own statement of financial activities (SOFA) has not been presented, as permitted by s.408 of the Companies Act 2006.

Preparation of the accounts on a going concern basis

These accounts are based on a going concern basis. As described in note 21, the trustees have assessed the charity's ability to continue on this basis and are aware of no material uncertainties that will change this position.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. All income arose in the UK.

Income from charitable activities represents fees and amenity charges arising from the provision of homes and support to the older people with limited means. Income is recognised in accordance with service provision.

Income from investments represents interest and deposits receivable. Interest on funds held on deposit is recognised when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (continued)

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Donations are recognised when the Trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Expenditure

All expenditure is accounted for on an accruals basis. Irrecoverable VAT is allocated to the associated cost. All costs are directly allocated to the category of expenditure.

Governance costs are those incurred in connection with compliance with constitutional and statutory requirements. All costs are directly allocated to the cost of charitable activities.

Support costs are attributed to the costs of raising funds and charitable activities using a percentage based upon the direct expenditure allocation. These are made up of Administration, Fundraising, Church, Human Resources and Estate.

Fixed assets and depreciation

Fixed assets are stated at cost less depreciation.

Depreciation is provided on the following tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Freehold buildings	-	2 to 3.3% per annum on cost or valuation
Plant and equipment including nursing home equipment	-	20% per annum on cost
Motor vehicles	-	25% per annum on cost

All expenditure on freehold land and buildings, including improvements, are stated at cost.

Freehold land is neither depreciated nor shown at current valuation, as neither treatment is considered appropriate by the Trustees.

Investments

Investments are stated at bid price at the balance sheet date.

The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (continued)

Stocks

Stocks are valued at the lower of cost or net realisable value.

Financial instruments

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses

Loans

The Trust has one bank loan that is classified as a basic financial instrument in accordance with FRS 102. This instrument is initially recorded at the transaction price less any transaction costs (historical cost), FRS 102 requires that basic financial instruments are subsequently measured at amortised cost.

The Trust also has an overdraft facility that is repayable on demand and accounted for at historical cost.

Cash and cash equivalents

Cash and cash equivalents in the Group's balance sheet consists of cash at bank, in hand, deposits and notice accounts with an original maturity of three months or less.

Funds

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. Presently there are no designated funds.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes.

Endowment funds are funds for which the capital is required to be retained in accordance with the donor's wishes. The income is also treated in accordance with the donor's wishes and is credited to a restricted income fund.

General unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general charitable objectives. A pension reserve is included within unrestricted funds to meet the pension deficit.

Pension Schemes

The group's defined benefits scheme is accounted for in accordance with FRS 102. The service cost of pension provision relating to the year, together with the cost of any benefits relating to past service if the benefits have vested, is charged to the statement of financial activities. A charge equal to the increase in the present value of the scheme's liabilities (because the benefits are closer to settlement) and a credit equivalent to the Group's long term expected return on assets (based on the market value of the scheme's assets at the start of the year), are also included in the statement of financial activities.

The difference between the market value of the assets of the scheme and the present value of the accrued pension liabilities is shown as an asset or liability on the balance sheet. Any differences between the actual and expected return on assets during the year are recognised in the statement of financial activities along with differences arising from experience or assumption changes.

Contributions to the group's defined contribution pension scheme are charged to the statement of financial activities in the year in which they become payable.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (*continued*)

Accounting estimates and judgements

In preparing the accounts, the trustees are required to make estimates and judgements. The matters detailed below are considered to be the most important in understanding the judgements that are involved in preparing the accounts, and the uncertainties that could impact the amounts reported.

Income Recognition

A significant portion of the Trust's income is earned on entitlement to funds. Income is allocated to each accounting period in accordance with the income note above.

Cost Allocation

Non-direct costs are allocated or apportioned to the expenditure categories in the SOFA on a basis consistent with identified cost drivers such as headcount, usage and space occupied. Judgment is used in the allocation methods applied to each non-direct cost area.

Actuarial assumptions in respect of defined benefit pension scheme

The application of actuarial assumptions relating to the Trust's defined benefit pension scheme is incorporated in the accounts in accordance with FRS102. In setting the assumptions, advice is taken from independent qualified actuaries. These assumptions require significant judgement to be exercised with regard to such areas as future changes in salary and inflation, mortality rates and long -term discount rates.

The Trustees consider that the defined benefit pension asset is recoverable through reductions in future contributions or through refunds from the pension scheme.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (*continued*)

3 Trading Subsidiaries

The Trust has two active trading subsidiaries: Whiteley Village Services Limited (company number 6760134) and Whiteley Homes Property CIC (company number 10354476).

	2019 £	2018 £
The results of the Whiteley Village Services Limited are shown below:		
Turnover	455,913	2,413,289
Cost of sales	(119,204)	(1,993,214)
Administration expenses	(336,709)	(342,730)
 Retained profit for the year	 -	 77,345
	<hr/>	<hr/>

Whiteley Village Services Limited is wholly owned by the charity, incorporated in England and is involved in care services with £100 issued share capital.

	2019 £	2018 £
The results of the Whiteley Homes Property CIC are shown below:		
Management fees	112,000	112,000
Cost of sales	(2,921)	(1,217)
 Profit for the year	 109,079	 110,783
	<hr/>	<hr/>

Whiteley Homes Property CIC is a wholly owned subsidiary of the charity, incorporated in England and issued share capital of £1. (company number 10354476).

The Trust also has a 100% interest in Whiteley Village Development Company Limited (company number 4341307).

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (continued)

4 Other Incoming Resources

	2019 £	2019 £	2018 £	2018 £
<i>Miscellaneous income:</i>				
Village store and club	188,183		164,405	
Rents receivable	197,345		375,205	
Other	276,048		413,299	
Total miscellaneous income	<hr/>	661,576	<hr/>	952,909
Interest on deposit accounts		45,175		42,568
Other unrestricted incoming resources		<hr/>	706,751	995,477
	<hr/>	<hr/>	<hr/>	<hr/>

All activities included within miscellaneous income are subsidised by the Trust.

5 Expenditure

Expenditure for the year ended 31 December 2019 can be analysed as:

	Direct Costs £	Support Costs £	Depr'n £	Total £
Cost of provision of homes	5,827,880	1,272,463	1,562,429	8,662,772
Cost of generating funds	-	230,376	-	230,376
Cost of trading activities	455,913	-	-	455,913
	<hr/>	<hr/>	<hr/>	<hr/>
	6,283,793	1,502,839	1,562,429	9,349,061
	<hr/>	<hr/>	<hr/>	<hr/>

Expenditure for the year ended 31 December 2018 can be analysed as:

	Direct Costs £	Support Costs £	Depr'n £	Total £
Cost of provision of homes	4,118,384	2,376,413	19,237	6,514,034
Cost of generating funds	-	171,407	-	171,407
Cost of trading activities	1,280,872	-	1,354,486	2,635,358
	<hr/>	<hr/>	<hr/>	<hr/>
	5,399,256	2,547,820	1,373,723	9,320,799
	<hr/>	<hr/>	<hr/>	<hr/>

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (*continued*)

Net income/expenditure for the year is stated after charging:

	2019 £	2018 £
Depreciation	1,562,429	1,373,723
Interest payable	511,065	400,468
External auditors' remuneration:		
- Audit services	27,000	26,375
- Other services	5,000	3,085

Included within expenditure are governance costs of £24,925 (2018: £6,000) relating to external auditor's remuneration (see above) and £27,276 (2018: £6,000) relating to internal auditor's remuneration.

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2019 £	2018 £
Salaries and wages	3,643,019	3,693,020
Social security costs	302,637	301,971
Pension cost:		
- Contribution to defined contribution scheme	116,981	110,703
- Operating costs of defined benefit scheme	19,022	19,385
Termination costs	70,500	5,737
	<hr/>	<hr/>
	4,152,159	4,130,816
	<hr/>	<hr/>

The headcount number of employees in the year was:

	2019 Number	2018 Number
Administration	32	22
Care Centre	75	104
Cottages, Huntley House, works, estate and other	70	34
	<hr/>	<hr/>
	177	160
	<hr/>	<hr/>

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (*continued*)

Four employees earned more than £60,000 in the year (2018- two employees).

These employees' emoluments fell into the bands:

	2019 Number	2018 Number
£60,000 - £69,999	1	-
£70,000 - £79,999	1	-
£80,000 - £89,999	1	1
£90,000 - £99,999	1	1

Contributions to the defined contribution pension scheme in respect of these employees were £14,656 (2018: £9,006).

Reimbursed expenses do not form part of remuneration and are subject to the normal processes of internal financial control.

No trustees received reimbursement of expenses in the year (2018: £0).

During the year redundancy payments of £70,500 were made.

Key management personnel of the group include Trustees, directors of the subsidiaries and the senior management team. The total remuneration of the key management personnel was £457,928 (2018: £327,125).

No trustees were remunerated (2018: none)

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (continued)

7 Fixed Assets		Freehold land and Buildings £	Furniture fittings and equipment £	Motor vehicles £	Assets Under Construction £	Total £
<i>Cost or valuation</i>						
At 1 January 2019	47,447,357	1,399,175	38,712	7,112,490	55,997,734	
Additions	81,404	212,619	27,000	4,670,019	4,991,042	
Disposals	-	-	(3,000)	-	(3,000)	
Transfer	9,345,252	444,751	-	(9,790,003)	-	
At 31 December 2019	56,874,013	2,056,545	62,712	1,992,506	60,985,776	
<i>Depreciation</i>						
At 1 January 2019	5,611,956	837,684	18,850	-	6,468,490	
Charge for the year	1,272,571	276,692	13,166	-	1,562,429	
Eliminated on disposal	-	-	(3,000)	-	(3,000)	
At 31 December 2019	6,884,527	1,114,376	29,016	-	8,027,919	
<i>Net book value</i>						
At 31 December 2019	49,989,486	942,169	33,696	1,992,506	52,957,857	
At 31 December 2018	41,835,401	561,491	19,862	7,112,490	49,529,244	
Charity		Freehold land and Buildings £	Furniture fittings and equipment £	Motor vehicles £	Assets Under Construction £	Total £
<i>Cost or valuation</i>						
At 1 January 2019	47,447,357	1,399,175	38,712	-	48,885,244	
Additions	81,404	212,619	27,000	-	321,023	
Disposals	-	-	(3,000)	-	(3,000)	
At 31 December 2019	47,528,761	1,611,794	62,712	-	49,203,267	
<i>Depreciation</i>						
At 1 January 2019	5,611,956	837,684	18,850	-	6,468,490	
Charge for the year	1,141,737	225,972	13,166	-	1,380,875	
Eliminated on disposal	-	-	(3,000)	-	(3,000)	
At 31 December 2019	6,753,693	1,063,656	29,016	-	7,846,365	
<i>Net book value</i>						
At 31 December 2019	40,775,068	548,138	33,696	-	41,356,902	
At 31 December 2018	41,835,401	561,491	19,862	-	42,416,754	

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (continued)

8 Investments

Group	Bank Deposit £	Endowment fund £	2019 Total £	2018 Total £
Market value at 1 January 2019	3,516,395	4,808,260	8,324,655	8,278,681
Additions	2,601	1,141,982	1,144,583	2,106,249
Disposals	-	(1,141,982)	(1,141,982)	(2,001,765)
Net gains	-	447,744	447,744	(58,510)
Market value at 31 December 2019	3,518,996	5,256,004	8,775,000	8,324,655
Cost at 31 December 2019	3,516,395	4,198,863	7,715,258	7,475,841

All investments are listed on a recognised stock exchange and include cash balances held by the brokers for the purpose of reinvestment. At 31 December 2019, the cash balance was £384,306 (2018 - £312,651).

The fund portfolios comprise:

Group	Bank Deposit £	Endowment fund £	2019 Total £	2018 Total £
Investment assets in the UK	3,518,996	259,431	3,778,427	3,384,600
Investment assets outside the UK	-	3,961,896	3,961,896	3,153,116
Cash	-	380,047	380,047	1,148,651
Bonds	-	654,630	654,630	638,288
Market value at 31 December 2018	3,518,996	5,256,004	8,775,000	8,324,655

Charity

In addition to the above investments, the Trust has previously invested £100 to purchase the whole of the issued ordinary share capital of Whiteley Village Services Limited, a company registered in England.

The subsidiary is used to provide care and related services to elderly residents who fall outside of the charitable objectives of the parent charity. The results of the subsidiary are shown in note 3.

In addition, the Trust has previously invested £1 to purchase the whole of the issued ordinary share capital of Whiteley Homes Property CIC, a company registered in England. The subsidiary is used to manage the Whiteley Futures redevelopment project.

In addition, the Trust has previously invested £2 to purchase the whole of the issued ordinary share capital of Whiteley Village Development Company Limited, a company registered in England.

The subsidiary is used to undertake construction and other contract services for the parent charity.

The Trust is also the sole Trustee of The William Whiteley Endowment Trust (formally The Whiteley Homes Trust), a charity registered in England. Under a uniting direction issued by the Charity Commission, the results and activities of The William Whiteley Endowment Trust are treated as transactions of the Trust.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (*continued*)

9 Sundry Debtors and Prepayment: Amount falling due within one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Amounts owed by subsidiary undertakings	-	-	12,308,041	6,911,624
Investment dividends and interest	24,246	35,400	24,246	35,400
Debtors	22,781	19,366	12,943	60,097
Other debtors	177,788	1,439	127,885	1,470
VAT recoverable	-	116,621	-	3,147
Prepayments and accrued income	77,513	93,648	77,513	93,647
	<hr/>	<hr/>	<hr/>	<hr/>
	302,328	266,474	12,550,628	7,105,385
	<hr/>	<hr/>	<hr/>	<hr/>

10 Creditors: Amounts falling due within one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Trade creditors	206,398	404,694	205,842	351,009
Other creditors	260,531	478,499	360,549	314,335
VAT payable	7,069	-	11,669	-
Tax and social security creditor	86,011	78,702	86,011	78,702
Accruals and deferred income	437,877	323,986	376,326	262,586
	<hr/>	<hr/>	<hr/>	<hr/>
	997,886	1,285,881	1,040,397	1,006,632
	<hr/>	<hr/>	<hr/>	<hr/>

11 Creditors: Amounts falling due after more than one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Bank Loan	16,460,832	11,151,209	16,460,832	11,151,209
	<hr/>	<hr/>	<hr/>	<hr/>

The bank loan is a twenty-year term loan repayable by 1 December 2037. The loan is fully drawn and capital repayments are due to commence in March 2021. Interest is payable on the loan based on LIBOR rates.

The loan is secured against the property at Whiteley Village, registered at the Land Registry under title number SY668629.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (continued)

12 Analysis of net assets between funds 2019

Group	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Tangible fixed assets	50,565,270	608,383	1,784,204	52,957,857
Investments	3,478,282	-	5,296,718	8,775,000
Net current assets	(964,110)	1,958,003	-	993,893
Long-term liabilities	(16,460,832)	-	-	(16,460,832)
Pension scheme asset / (deficit)	852,000	-	-	852,000
Net assets	37,470,610	2,566,386	7,080,922	47,117,918
Charity	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Tangible fixed assets	38,964,315	608,383	1,784,204	41,356,902
Investments	3,478,385	-	5,296,718	8,775,103
Net current assets	10,598,329	1,958,003	-	12,556,332
Long-term liabilities	(16,460,832)	-	-	(16,460,832)
Pension scheme asset / (deficit)	852,000	-	-	852,000
Net assets	37,432,197	2,566,386	7,080,022	47,079,505
Group (2018)	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Tangible fixed assets	46,946,968	699,900	1,882,376	49,529,244
Investments	3,516,395	-	4,808,260	8,324,655
Net current assets	(1,458,677)	1,958,003	-	499,326
Long-term liabilities	(11,151,209)	-	-	(11,151,209)
Pension scheme asset / (deficit)	676,000	-	-	676,000
Net assets	38,529,477	2,657,903	6,690,636	47,878,016
Charity	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Tangible fixed assets	39,834,478	699,900	1,882,376	42,416,756
Investments	3,516,395	-	4,808,260	8,324,655
Net current assets	5,471,182	1,958,003	-	7,429,185
Long-term liabilities	(11,151,209)	-	-	(11,151,209)
Pension scheme asset / (deficit)	676,000	-	-	676,000
Net assets	38,346,846	2,657,903	6,690,636	47,695,386

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (continued)

13 Permanent Endowment Fund

	Henry Lucas Fund £	The William Whiteley Fund £	Total £
At 1 January 2019	1,841,662	4,848,974	6,690,636
Depreciation	(57,458)	-	(57,458)
Realised and unrealised investment gains	-	447,744	447,744
At 31 December 2019	1,784,204	5,296,718	7,080,922

Permanent Endowment Fund (2018)

	Henry Lucas Fund £	The William Whiteley Fund £	Total £
At 1 January 2018	1,899,120	4,805,873	6,704,993
Additions	-	101,611	101,611
Depreciation	(57,458)	-	(57,458)
Realised and unrealised investment gains	-	(58,510)	(58,510)
At 31 December 2018	1,841,662	4,848,974	6,690,636

Henry Lucas Fund

In 2002 the assets of the Henry Lucas' Charity were transferred to the Trust under a Charity Commission scheme. Under the terms of the scheme the assets have been used to fund the building of a number of homes, known as Henry Lucas Cottages, capable of accommodating 32 residents.

The William Whiteley Fund

The fund is to be used to provide income for the maintenance of the property. The balance in the fund cannot be used without the agreement of the Charity Commission.

The income from this fund is used for the maintenance of the property. The fund records the net income of the group.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (*continued*)

14 Restricted Funds

	At January 2019	Incoming resources	Resources expended	Transfers	Total
	£	£	£	£	£
HCA Grant	699,900	-	(15,000)	-	684,900
Other Building	1,959	-	-	-	1,959
Other	103,014	-	-	-	103,014
R Wyatt Trust	1,753,030	-	-	-	1,753,030
The Eliza Palmer Hub	100,000	19,267	(119,267)	-	-
Whiteley Foundation	-	54,374	(30,891)	-	23,483
 At 31 December 2019	2,657,903	73,641	(165,158)	-	2,566,386

Restricted Funds (2018)

	At January 2018	Incoming resources	Resources expended	Transfers	Total
	£	£	£	£	£
HCA Grant	714,900	-	(15,000)	-	699,900
Other Building	1,959	-	-	-	1,959
Other	103,014	-	-	-	103,014
R Wyatt Trust	1,753,030	-	-	-	1,753,030
The Eliza Palmer Hub	-	100,000	-	-	100,000
 At 31 December 2018	2,572,903	100,000	(15,000)	-	2,657,903

The HCA grant is governed by the Framework Delivery Agreement with the Homes and Community Agency. The Trust is restricted in the disposal of those assets to which the grant was applied. Any such disposal requires the notification to and written consent of the Homes and Community Agency.

The Whiteley Home Trust has an agreement with Richard Wyatt Trust to provide housing accommodation in Whiteley Village for the purposes of the schemes as "Richard Wyatt residents".

The HCA grant is represented by fixed assets. The remaining restricted funds are represented by current assets.

'Other' funds represent donations from various sources that have been restricted for the provision of housing accommodation at Whiteley Village.

The Eliza Palmer Hub represent donations from a single source for the purpose of the construction of a care suite and the development of a garden in the Hub.

The Whiteley Foundation for Ageing Well was created in 2017 with a forward-focused mission to research and test innovations to help older people now and in the future live better quality lives, regardless of their personal wealth.

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (*continued*)

15 Unrestricted Funds

	Group £	Charity £
At 1 January 2019	38,529,477	38,346,847
Income	7,933,578	7,477,662
Expenditure	(9,126,445)	(8,526,312)
Gains on investments		
Actuarial loss	134,000	134,000
	<hr/>	<hr/>
At 31 December 2019	37,470,610	37,432,197
	<hr/>	<hr/>

Unrestricted Funds (2018)

	Group £	Charity £
At 1 January 2018	39,040,016	38,636,600
Income	8,811,800	6,695,424
Expenditure	(9,248,340)	(6,911,178)
Gains on investments		
Actuarial loss	(74,000)	(74,000)
	<hr/>	<hr/>
At 31 December 2018	38,529,476	38,346,847
	<hr/>	<hr/>

16 Capital Commitments

	2019 £	2018 £
Amounts authorised but not contracted and not provided in the accounts	-	340,827
	<hr/>	<hr/>

17 Operating leases

The group and the charity had minimum lease payments under non-cancellable operating leases as set out below:

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Within one year	11,934	2,372	11,934	2,372
2 - 5 years	36,377	1,287	36,377	1,287
	<hr/>	<hr/>	<hr/>	<hr/>
	48,311	3,659	48,311	3,659
	<hr/>	<hr/>	<hr/>	<hr/>

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (*continued*)

18 Pension Schemes

The Trust operates two pension schemes for its employees.

(a) The Trust operates a Group Personal Pension Plan run by Legal & General called The Whiteley Homes Trust Pension Scheme. This scheme is open to current staff and satisfies the auto-enrolment legislation. It replaced a previous defined contribution scheme in 2014

The Trust contributes varying percentages of members' pay, according to the level of contributions selected by each member and the point at which they joined the scheme.

(b) The Whiteley Homes Trust Retirement Benefits Scheme is a defined benefit arrangement which was closed to new members in 1996. It currently has only one remaining active member, in addition to retired and deferred members. The defined benefit scheme assets are invested in pooled funds managed by Scottish Widows Fund and Life Assurance Society. In addition, the scheme Trustees have purchased annuities from Scottish Widows ("the annuities") in respect of some retired members ("the insured pensioners").

The cash contributions paid by the Employer to the defined benefit scheme in 2019 amounted to £157k, of which £115k was overpaid and has been refunded in 2020. The contributions and pension scheme asset have been adjusted for this overpayment, which is included in Other debtors.

(c) The employer contributed £26,398 (2018 - £19,386) in respect of group life assurance for all employees.

Defined Benefit Scheme

The actuary has computed the following information about the financial position of the defined benefit scheme as at 31 December 2019.

The assumptions used are different from those adopted for the latest triennial actuarial pensions valuation as at 1 January 2016, which form the basis upon which the funding plan for the Scheme has been formulated:

	2019 £'000	2018 £'000
Fair value of plan assets (including annuities)	6,895	6,402
Present value of scheme obligations (including insured pensions)	(6,043)	(5,726)
Net asset	852	676

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (*continued*)

Description of adjustments made to measure defined benefit scheme assets.

	2019 £'000	2018 £'000
At 1 January	6,402	6,526
Interest on assets	178	156
Actuarial (losses) gains	555	271
Company contributions	44	(266)
Administration costs	(1)	(16)
Benefits paid	(283)	(269)
 At 31 December	 6,895	 6,402

Description of adjustments made to measure defined benefit scheme obligations:

	2019 £'000	2018 £'000
At 1 January	5,726	5,964
Current service cost	23	26
Past service cost	-	57
Interest on obligation	156	140
Actuarial losses	421	(195)
Benefits paid	(283)	(266)
 At 31 December	 6,043	 5,726

The Group expects to contribute £26,000 to its defined benefit pension plan in 2020.

An analysis by major categories of the scheme at 31 December 2019 were as follows:

	2019 £'000	2018 £'000	2019 Proportion	2018 Proportion
Index-Linked Gilts Tracker	1,704	1,635	24%	26%
UK Equity Index Tracker	1,669	1,461	24%	23%
Fixed Interest Gilts Tracker	1,753	1,618	25%	25%
Insured Pensions	1,849	1,686	26%	26%
Cash	35	2	0%	0%
Less: overpaid contributions	(115)	-		
 6,895	 6,402			

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (continued)

The scheme liabilities shown above have been calculated using the following assumptions at the balance sheet date:

	2019 %	2018 %
Discount rate	1.8	2.8
Retail price inflation	3.2	3.4
Salary increase rate	4.2	4.4
Pension increases (at limited price indexation)	3.6	3.7
Consumer price inflation	2.2	2.4

Mortality follows the standard table known as S1PA, using 120 % (2018 - 120%) of the base table with mortality projections with a long-term rate of improvement of 1.5% (2018 - 1.5%).

Assuming retirement at age 65, the life expectancy in years are as follows:

	2019	2018
For a male aged 65 now	20.2	21.2
At 65 for a male member aged 45 now	22.0	23.4
For a female aged 65 now	24.3	23.3
At 65 for a female member aged 45 now	26.0	25.6

The following components of the pension charge have been recognised in the statement of financial activities for the year ended 31 December 2019:

	2019 £'000	2019 £'000	2018 £'000	2018 £'000
Current service cost and net service cost		21		26
Administration costs	1		16	
Interest on obligation	156		140	
Interest on scheme assets	(178)		(156)	
Past service costs	-		57	
Net finance income		(21)		57
Total operating charge		-		83

The actual return on assets during the year was £733,000 (2018 - £113,000).

	2019 £'000	2018 £'000
Analysis of the actuarial (losses)/gains recognised in SOFA:		
Asset return less interest income recognised in statement of financial activities	(555)	(269)
Experience (losses)/gains on benefit obligation	(222)	(101)
Changes to demographic assumptions	(47)	-
Effect of assumptions changes on benefit obligation	690	296
	(134)	(74)

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (continued)

Sensitivity of the value placed on the liabilities	Approximate effect on liability
	2019
	£'000
Discount rate (-0.50%)	402
Inflation (+0.50%)	161
Salary Increases (+0.50%)	8
Commutation	18
Mortality (110% of S2PXA)	51

19 Reconciliation of net income/(expenditure) to net cash flow from operating activities and analysis of cash and cash equivalents

	Group 2019	Group 2018
	£	£
Net income/(expenditure))	(894,098)	(365,896)
Adjustment for pension funding	(42,000)	(188,000)
Donations of Investments	-	(101,611)
Dividends, interest and other investment income	(107,600)	(138,475)
Depreciation	1,562,429	1,373,723
(Increase)/decrease in stocks	-	375
(Increase) in debtors	(35,955)	(189,079)
(Decrease)/increase in creditors	(287,995)	210,876
Profit on disposal of fixed assets	(3,000)	(1,020)
Deduct gains/add back losses on investments	(447,744)	58,510
Net cash inflow from operating activities	(255,963)	659,403

	Charity 2019	Charity 2018
	£	£
Net income/(expenditure)	(749,983)	(145,111)
Adjustment for pension funding	(42,000)	(188,000)
Donations of Investments	-	(101,611)
Dividends, interest and other investment income	(107,600)	(138,475)
Depreciation	1,380,875	1,373,723
(Increase)/decrease in stocks	-	375
(Increase)/decrease in debtors	(5,445,243)	(4,041,239)
Increase/(decrease) in creditors	33,765	(580,400)
Profit on disposal of fixed assets	(3,000)	(1,020)
Deduct gains/add back losses on investments	(447,744)	58,510
Net cash inflow from operating activities	(5,380,930)	(3,763,248)

For the year ended 31 December 2019 £44,000 (2018 - £269,000) cash contributions have been made to the defined benefit pension scheme. The associated statement of financial activities charge comprise £2,000 (2018 - £81,000) net expenditure on defined benefit pension costs under charitable activities. The trust has contributed £42,000 over and above the required statement of financial activity charge (2018 - £188,000).

The Whiteley Homes Trust

Notes forming part of the Consolidated Financial statements for the year ended 31 December 2019 (*continued*)

20 Related party transactions

Whiteley Homes Trust has three subsidiaries. The Whiteley Village Development Company which is dormant and Whiteley Village Services Limited, and Whiteley Homes Property CIC which are trading.

During the year Whiteley Home Trust paid Katherine Sargent £nil as a consultant (2018: £41,175).

During the year Whiteley Village Services Limited made a gift aid donation to Whiteley Homes Trust of £nil (2018 - £77,435). The company also paid the Trust for management charges of £119,204 (2018 - £342,730). At 31 December 2019, the company owed the trust £10,766 (2018 - £8,211).

During the year, Whiteley Homes Property CIC received management charges of £112,000 from the Trust (2018: £112,000)

During the year trustees made donations (including gift aid recoveries) to the charity totalling £Nil (2018 - £101,611).

There were no further related party transactions.

21 Post Balance Sheet event

The worldwide outbreak of the Covid-19 virus represents a significant event since the end of the financial year. As set out in note 1, the Trust has reviewed its cash flow forecasts and considered the impact on going concern, concluding that the going concern basis remains an appropriate basis of preparation for these financial statements given the likely cash flow impact of operations for 12 months from the date of signing this report. Please refer to note 1 for further detail on the Trust's going concern basis of preparation. Covid-19 is considered to be a non-adjusting post balance sheet event and therefore has not been taken into account in preparing the balance sheet as at 31 December 2019.