



WALTON ON THAMES CHARITY

TRUSTEES REPORT &
FINANCIAL STATEMENTS FOR
YEAR ENDED 31 MARCH 2021

CHARITY ADMINISTRATION

BOARD OF TRUSTEES/COMPANY DIRECTORS

| | |
|---------------------------|--|
| Mr Nicholas Stuart | Chair |
| Mrs Juliet Hobbs | Vice Chair (until 29 April 2021) |
| Mr Rob Douglas | Chair of Grants Committee (retired 28 July 2020) |
| Mr David Easson | |
| Mr Tim Hewens | Retired 31 January 2021 |
| Mrs Elizabeth Kennedy | Chair of Grants Committee (from 19 June 2021) |
| Mr Graham Mann | Resigned 29 July 2021 |
| Mr Robert Mills | Vice Chair (from 29 April 2021) |
| Mr Dennis Pillay | Appointed 30 April 2020 |
| Mr Eduardo Rios | Resigned 31 January 2021 |
| Mrs Kellie Scott | Appointed 30 April 2020 |
| Mr Paul Tajasque | Chair of F&GP Committee* (from 19 June 2021) |
| Mr Jim Vizzini | Chair of F&GP Committee* (resigned 7 June 2021) |
| Ms Alexandra Fitzpatrick | Appointed 29 April 2021 |
| Mr Andrew Button-Stephens | Appointed 29 April 2021 |
| Ms Sarah Tomkins | Appointed 29 April 2021 |

CHIEF EXECUTIVE & COMPANY SECRETARY

Mrs Jackie Lodge

BANKERS

Barclays Bank Plc, 8-12 Church Street, Walton on Thames, Surrey KT12 2QX

AUDITORS

Menzies, Centrum House, 36 Station Road, Egham, Surrey TW20 9LF

SOLICITORS

Moore Barlow, The Oriel, Sydenham Road, Guildford, Surrey GU1 3SR

SURVEYOR

Curchods, Portmore House, 54 Church Street, Weybridge, Surrey KT13 8DP

INVESTMENT MANAGER

To December 2020

Rathbone Brothers Plc
8 Finsbury Circus,
London EC2M 7AZ

From January 2021

Cazenove
1 London Wall Place
London EC2Y 5AU

REGISTERED ADDRESS

Charities House
1 & 2 The Quintet
Churchfield Road
Walton-on-Thames
Surrey KT12 2TZ

REPORTING CHARITY

Walton on Thames Charity 1185959

LINKED CHARITY

Walton on Thames Charity 1185959-1

COMPANY REGISTRATION NUMBER

12202541

REGULATOR OF SOCIAL HOUSING

REGISTERED NUMBER A0157

Walton on Thames Charity is alternately referred to as 'Walton Charity' or 'the Charity' within this report.

*Finance & General Purposes



FOREWORD

NICHOLAS STUART
CHAIR OF TRUSTEES

The past twelve months have been a year like no other. The COVID-19 pandemic has impacted all our lives, and the work of Walton Charity has never been more important in our local community.

The start of the 2020-21 financial year largely coincided with the start of the first country-wide lockdown¹. The Trustees were concerned with how best to keep the Charity running and deliver its objectives, so budgets and plans were amended as the new financial year started. Our primary focus was always the welfare of our staff and residents. We all had to rethink our whole way of working and living almost overnight. We were then able to ensure the Charity's finances were in good shape and that we were able to respond to the increasing needs in our local community.

A year on and we have kept the virus out of our supported housing, and the staff team have been innovative and provided activity packs and online social activities to residents. We also worked with various organisations and schools to support online learning for our local school children during the lengthy school closures. We increased our support for local foodbanks to support those worst affected by the impact of the pandemic. The Charity's finances have been bolstered by additional funds raised through appeals, corporate support and grant funding. Our four allotment sites remained open throughout the year and provided a haven for many local people during lockdown.

The Trustees were joined by Dennis Pillay and Kellie Scott who have successfully contributed to the Charity via virtual meetings. Eduardo Rios relocated to the USA and had to stand down from the board. Rob Douglas and Tim Hewens both reached the end of their maximum terms of service and retired after nine years as trustees. We are very grateful for their insight and support during their terms of office. At the beginning of 2021, we ran a targeted recruitment campaign and interviewed for new trustees. Three new trustees were appointed in April 2021, bringing a diverse range of new skills to the board.

We have reviewed the Charity's approach to its investments and changed fund managers. We have appointed Cazenove to manage the Charity's investment portfolio and have adopted a total return approach and invested in ethical pooled funds. The trustees also made the decision to change auditors, and appointed Menzies with effect from March 2021.

As we emerge from the pandemic, we have a great deal to reflect on. We are still living life with restrictions that seemed unimaginable at the start of 2020 – face coverings, limited social gatherings, lateral flow tests, shops and venues closed for months, hand sanitiser at every turn, virtual meetings, social bubbles, and working from home are all now part of everyday life.

Walton Charity has worked tirelessly throughout the past year to protect our residents and to increase our support to the community at a time when it was most needed. We have awarded over £500K in grants this financial year, in response to increased demands from other charities as well as individuals due to the pandemic. We have also seen the amazing generosity of local people and companies in their support for fundraising appeals to help our community during this exceptional year.

Things are gradually easing, and we can only hope that the light at the end of the tunnel continues to grow. Our belief is that we can take forward what we have learned and from all the good that has come from the past twelve months – the volunteering, the caring, the compassion, the innovation – and refocus on what really matters.

¹ Lockdown refers to periods during 2020-21 when schools, shops, offices, public spaces, and leisure facilities across the country were either closed or severely restricted. Social gatherings were not permitted, and the general public were required by law to remain at home unless providing essential services that could not be carried out remotely. The first lockdown phase began on 23 March 2020, and continues to date, to varying degrees, across the country.



OBJECTIVES & ACTIVITIES

Walton Charity was formed from an amalgamation of 11 charities which were consolidated under a scheme of administration in 1963. The Charity can trace its origins to before 1212.

More recently, the Charity was incorporated on 12 September 2019, with a new charitable company being established. The non-permanent endowment assets and operating agreements were transferred to the new entity. The new charitable company (registered charity number 1185959, registered company number 12202541) is the reporting entity and is linked to the original endowed charity which is now numbered 1185959-1 (previously 230652).

The Charity's revised objects are, for the public benefit:

- The provision and maintenance of social housing in the form of Almshouses for the benefit of persons who are in need or financial hardship and who (except in special cases to be approved by the Charity Commission) are inhabitants of the Area of Benefit at the time of their appointment.
- Such charitable purposes for the benefit of the residents in the Almshouses or any of them and in such manner as the Trustees think fit from time to time.
- The relief of those in need by reason of financial hardship, age, ill-health, disability, youth, social exclusion or other disadvantage, and resident in, working in, or with a demonstrable connection to the Area of Benefit, including, but without limitation, by the provision of financial assistance (including financial assistance with the cost of accommodation appropriate to the needs of beneficiaries), and providing support with educational and training facilities and services (including social and physical training).
- For the provision and support (with the object of improving the conditions of life for the inhabitants of the Area of Benefit in the interests of social welfare) of facilities for recreation or other leisure-time occupation.
- Such other charitable purposes for the benefit of the inhabitants of the Area of Benefit as the Trustees shall from time to time determine

The '**Area of Benefit**' shall mean the Ancient Parish of Walton-on-Thames and, subject thereto, elsewhere in the Borough of Elmbridge.

The Trustees have appointed a Chief Executive who is responsible for the operational day-to-day management of staff and services and is accountable to the Trustees. The Board of Trustees agrees the Charity's plans and budgets and monitors these through regular meetings and reports. On appointment, Trustees receive an induction and on-going trustee development is addressed through presentations at meetings, and circulation of briefings. The Board meets at least 6 times a year and has a committee structure to scrutinise key areas.

Charitable and Public Benefit

Through planning, monitoring and reviewing, the trustees have due regard for the impact of the services provided by the Charity. They have referred to the guidance of the Charity Commission on Public Benefit, and are actively seeking to ensure that resources are maximised for the benefit of those in need in the 'Ancient Parish of Walton on Thames', and the wider area of the Borough of Elmbridge.

As part of a strategic review of our communications this year, we have amended some of our core messages:

Our vision... An Elmbridge community where each one of us has the opportunity and support to live a rewarding life, free from poverty and inequality.

Our Mission... Walton Charity is a charitable foundation which tackles both the symptoms and underlying causes of poverty and inequality in Elmbridge, and raises awareness of their impact on

residents' lives. Working together with our partners and the community, we initiate and facilitate programmes that deliver tangible and lasting improvements to the quality of life of those living in Elmbridge.

Our Values...

- Forward-Thinking
- Bold
- Influential
- Independent
- Open minded

Our six priority areas

- Alleviation of financial poverty/hardship
- Promote personal health and wellbeing
- Alleviate isolation and loneliness
- Promote affordable housing for all ages
- Work to improve educational attainment
- Improve access to affordable transport

Our cross-cutting priority is to tackle childhood poverty in Elmbridge.

At the start of the year, the trustees agreed to prioritise funding to deal with the immediate effects of the pandemic. This ensured the Charity was responsive to the needs of the community during the year, while retaining a focus on those children who were further disadvantaged through poverty and inequality.

How we achieve our vision and work to make a difference

- Direct programmes such as allotments, individual grant funding, and housing
- Partnerships – enabling and facilitating other community projects and charities through Charities House; community grants and community properties
- Research, communication and evaluation



PLANNING AHEAD & RESPONDING TO THE COVID-19 PANDEMIC

Prior to the pandemic, the trustees and staff had undertaken extensive work on reviewing and developing the Charity's strategic direction and plans. The following organisational objectives were agreed:

- We will enable more local people to live in decent homes that they can afford
- We will use the Charity's property, land and estates to create greater social value for local people and communities
- We will campaign to increase awareness of local inequalities and a greater understanding of its implications.
- We will work with partners to reduce the impact of child poverty in Elmbridge
- As an employer and as a charity, we will strive to act with integrity and be honest partners and responsible stewards of Charity assets

During 2020 and into 2021, the trustees agreed the following:

The COVID-19 pandemic has impacted on the Charity – its staff, residents, operations, resources and grant making. We remain committed to the five objectives for the medium/longer term. Our priority for the year 2020/2021 was to ensure that we are responsive to changing local need and ensure effective safeguarding of our staff, residents and resources.

The Charity's initial priority was to protect the health and wellbeing of its staff, residents, and tenants. In the early months, we were able to respond by providing grants and vouchers to help address short-term crises for individuals and families. The Charity refocused its resources to meet the needs of the community arising from the pandemic.

A year on, and the future remains uncertain not only in terms of pandemic restrictions, but the longer-term impact on the economy and inequality in our community. The pandemic has laid bare the inequalities in our society, with people from disadvantaged backgrounds being most vulnerable to the health and economic impacts of the crisis.

Walton Charity is committed to tackling poverty and inequality, and we will need to ensure that we are able to respond as the crisis exacerbates some of these pre-existing inequalities. As we emerge from the pandemic the trustees will review the organisational objectives against the emerging and changing needs of our local community.

ACHIEVEMENTS & PERFORMANCE

115 people were housed in the Charity's sheltered accommodation for older people

28 people were housed in Walton Charity's properties, in partnership with Rentstart and Transform Housing & Support

15 charities and local community groups benefited from co-location in Charites House offices and other subsidised premises

Grants totalling **£55,728** were awarded to individuals via our Funding for Individuals, Community Allotment and resident funding programmes

£91,669 of funding was awarded to 11 local schools and 10 organisations (via Opportunities and Delegated grants)

£410,182 of Community & COVID-19 grants were committed – an almost three-fold financial increase on the previous year

521 allotment plots were managed, benefiting **389** tenants

33 people benefited from the Community Allotment & Woodlands Project

1,709 food parcels were delivered, benefitting 4,712 local vulnerable people

£12,630 was donated by local companies

£40,674 was raised via our COVID-19 Response Appeal (June 2020-March 2021)

£8,717 was raised via our Computers for Kids Appeal (Dec 2020-March 2021)

1.1K Twitter followers – a 10% increase from last year

12% increase in visits to our website



HOUSING

We believe there needs to be more affordable housing for local people. We are committed to working with the local community to find ways to increase housing for local people who find themselves priced out of the expensive local housing market.

We have a long and proud history of providing housing, with our original almshouses dating from the mid-1700s. Our two current housing schemes, Mayfield and Fenner House, are at the core of Walton Charity, and we are proud to support and assist people who wish to live independently but without the various responsibilities or unplanned financial costs associated with home ownership.

During 2020-2021, 115 people were housed at Mayfield & Fenner House

During the last year, our focus was on ensuring the safety and wellbeing of our residents in light of the higher risks posed by the COVID-19 virus to older people. Our property staff team followed strict guidelines to minimise transmission and to maintain high standards of cleanliness throughout the buildings. A year on and we are pleased to report we had no reported cases of COVID-19 within our resident population.

We switched our support calls to virtual to protect residents from non-essential contact during the three lockdowns. Our Planned Preventative Maintenance (PPM) programme was deferred while restrictions were in place, to allow us to focus on essential maintenance and cleaning.

We suspended the letting of flats during the first and third lockdowns due to high local COVID-19 infection rates. Refurbishing flats took longer than planned, due to shortages of some building materials as well as restrictions on working practices. Despite all this, we managed to maintain an occupancy rate of almost 93% throughout the year.

The staff team worked throughout the year to provide additional support by phone, and a dynamic programme of activities and celebratory events were delivered in 'packs' to residents' doors. Residents were supported in the first lockdown via shopping and prescriptions services, with home deliveries provided by Together Transport Services to those who had been advised to remain at home in order to shield themselves from potential infection.

Later in the year, start-up social enterprise Together Transport Services was unable to operate due to the ongoing restrictions, and decided not to continue with their plans to develop a local community transport service.

The cost of living and housing in particular are disproportionately high in Elmbridge, making it increasingly difficult for people on low earnings to afford housing locally. Walton Charity works with local housing support charities, Rentstart and Transform Housing & Support, to support people who are homeless, at risk of homelessness or moving on from hostel accommodation.

During 2020-21, 28 people were housed at our houses in multiple occupation

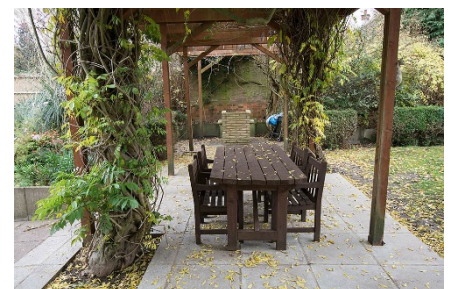
The Charity owns four houses in the local area which provides 14 rooms for non-statutory homeless people. Occupancy of these properties is high, with all four of the houses now being managed by Rentstart.

The Charity also owns a former office building which it recently converted to provide three two-bedroom flats in central Walton. The three flats provide high quality affordable housing for local people, with support provided by Transform Housing Charity. These flats were made available for occupation leading up to the start of the pandemic.

At the start of the pandemic Walton Charity worked with the local authority and our key partners, Rentstart and Transform Housing, to swiftly respond to find housing for people who were either street homeless or in night shelters. The collective response demonstrates the power of working collaboratively with a shared goal.

There are still government measures in place to protect residents from eviction and support those who cannot work through a furlough scheme. As these support measures come to an end during 2021, the concern is that the demand for affordable housing will increase further.

During the year, the trustees have established a property working group to consider the Charity's role in acquiring and developing further homes for local people. Walton Charity is even more committed to doing what it can to work in partnership with others to facilitate affordable housing for local people.



COMMUNITY GRANTS

Walton Charity awards grants to local charitable organisations, schools and social enterprises. Our funding is aimed at addressing inequalities in Elmbridge. We are open to a wide range of funding requests, including service delivery, capacity development, core costs, mergers or collaborations, and policy development. We are particularly interested in funding initiatives which aim to have a sustainable or transformative impact on people's lives.

During the year, we refocused our grant awards on emergency support for increased (and adaptations to) service delivery and bridge funding, to help organisations manage the challenges created by the pandemic. We awarded more grants and spent more than in any year since the launch of our grant funding programme in 2013.

The pandemic has laid bare existing inequalities both in terms of health, economic and digital poverty and disadvantage. Reviewing our funding according to our main themes, we have awarded significant funding to alleviate child poverty, thanks to the funds raised through our fundraising appeals. A quarter of our funding went to schools to provide hardware for children without access to technology at home, enabling them to participate in lessons remotely. Mental health, loneliness and isolation were the other areas where we were pleased to allocate much-needed funding to those disproportionately affected by the pandemic.

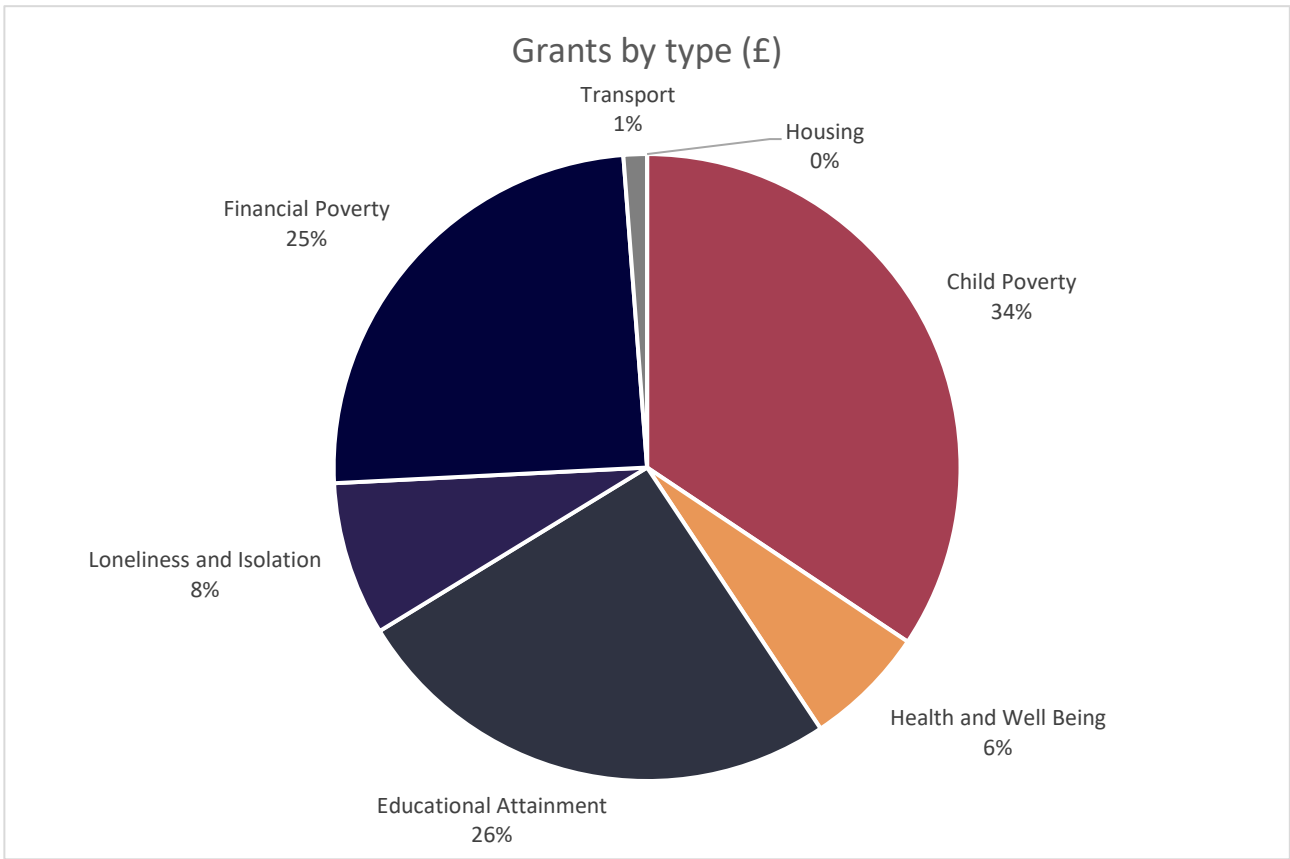
We may have all been in the same storm... but we have been through this in very different boats



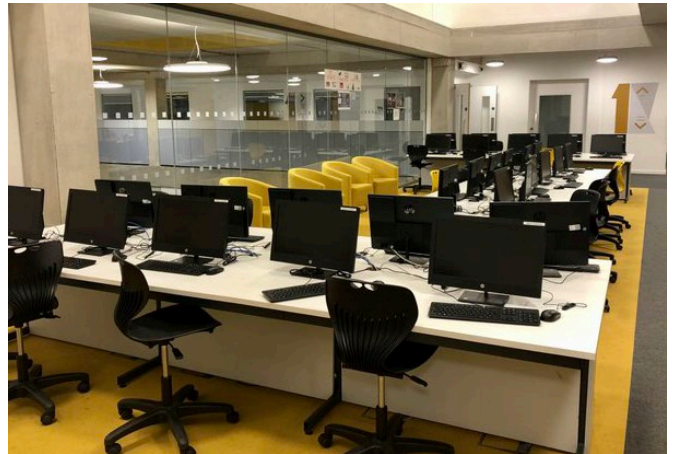
GASP Motor Mechanic project

During 2020-2021, £410,182 of Community and COVID-19 Grants were committed, of which a sample is shown below

| Organisation | Project | Amount |
|------------------------------------|---|---------|
| Surrey Drug and Alcohol Service | Additional telephone counselling (COVID-19) | £4,000 |
| Painting World Silver | Craft kits for self-isolating older people (COVID-19) | £900 |
| Surrey Family & Mediation Services | Bridge funding (COVID-19) | £10,000 |
| Hersham Youth Trust | Overheads support (COVID-19) | £2,250 |
| WoTTA | First year's maintenance costs for CIL-funded Ashley Park play area | £2,898 |
| Sight for Surrey | Adapting services due to COVID-19 | £3,000 |
| Citizens Advice Elmbridge West | Capacity-building project (COVID-19) | £40,000 |
| Three Rivers Academy | Hardware to support adapted school set-up for COVID-19 | £31,000 |
| Samaritans | Bridge funding (COVID-19) | £5,000 |
| Three Rivers Academy | Online academic learning for disadvantaged sixth form students (COVID-19) (£5,000 donated by corporate donor) | £7,500 |
| Citizens Advice Elmbridge West | Youth Citizens Advice Project | £60,000 |
| Home Start Elmbridge | Bridge Funding (COVID-19) | £15,000 |
| EIKON | Bridge Funding (COVID-19) | £10,000 |
| Bell Farm Primary School | Teacher Wellbeing Fund (COVID-19) | £665 |
| Crossroads | Respite care (£10,000 in match-funding from Asprey Healthcare and Walsingham Care) (COVID-19) | £15,000 |
| Cobham Free School | Computer hardware (COVID-19) | £800 |
| Bell Farm Primary School | 30 laptops and connection devices for use by disadvantaged pupils (COVID-19) | £9,870 |
| SATRO | Mobile classroom at NESSSS | £5,000 |
| Wellbeing Supervisor | Parenting classes | £22,300 |
| CHEER | Upgrade of IT system to support online befriending and other services (COVID-19) | £4,860 |
| Walton Oak Primary School | Early language intervention (COVID-19) | £4,822 |
| St Andrew's Primary School | Computer hardware (COVID-19) | £1,400 |
| Elmbridge Borough Council | Christmas meals on wheels | £223 |
| St James Primary School | Computer hardware (COVID-19) | £3,970 |
| Walton Oak Primary School | KS1 catch-up intervention (COVID-19) | £14,744 |
| Manby Lodge Infant School | Computer hardware (COVID-19) | £450 |
| Cook4Care | Meals for young carers and their families | £4,000 |
| Citizens Advice East Elmbridge | Debt Advice Service (COVID-19) | £30,000 |
| EIKON | Youth Specialist at Three Rivers Academy | £11,000 |
| KT12 Football Project | KT12 Football Project | £5,000 |
| GASP | Motor Mechanic Courses | £13,200 |
| Walton and Hersham Foodbank | Core costs | £19,078 |
| Together Transport Service | Driver | £4,387 |



Clockwise L-R: KT12 Football Project, Three Rivers Academy, SATRO, Samaritans



INDIVIDUAL GRANTS

For some people, the pandemic has been a time of working from home, spending less on travel and not going out. For others this has been a time of reduced income, less working hours, and difficult circumstances at home with less support.

Walton Charity supports local people with a wide range of funding, from helping people at times of financial difficulty with essential household items, to assisting with training and associated costs for those trying to move into work. The Charity also supports children and young people from low-income families by providing funding through schools.

Over the past year it has never been more important to get support to people when they need it

We have well-established relationships with key partners to ensure that grant funding reaches those most in need – at a time when it is most needed.

Opportunities Funds are being set up with increasing numbers of local schools, with a focus on those with the highest proportion of pupil premium students in the borough.

Delegated Funds have been set up with local organisations across Elmbridge, including those supporting families, young people and residents leaving the criminal justice system.

In the last year, **£91,669** of funding was awarded to 11 local schools and 10 organisations.

Well-established partnerships with local charities, schools and faith groups has enabled Walton Charity to respond to the changing impact of the pandemic throughout the year. From laptops and tablets for children, to food vouchers for families in crisis, Walton Charity has worked with our partners to support individuals through this challenging time.





ALLOTMENTS

Allotments are a key part of Walton Charity's history, as well as our future. The Charity provides low cost, well managed allotments to enable local people to grow fresh fruit and vegetables, as well as providing the opportunity to be a part of a community within the Charity's four allotment sites. The allotments are situated on Terrace Road, Rydens Road and Burhill Road.

Our allotments remained open despite the restrictions brought in during the pandemic. With people working from home and most other venues and activities highly restricted, allotments became more popular than ever. The allotments remained a constant haven during these difficult months.

The Charity currently manages 521 active allotment plots, which are let to 389 tenants.

In line with many other allotment charities, the trustees have agreed that we will work towards a model whereby the allotment tenants have greater involvement in the running of the allotments. When successfully implemented, self-management schemes ensure greater control of a site by allotment holders, and tend to work to the benefit of the site. Self-management fulfils the twin aims of ensuring greater control of sites by allotment holders and reducing the land holders' administrative responsibilities.

From our research and talking to various allotment associations who have moved to self-management, there are a number of benefits from their perspective:

- The association ensures allotment tenants work together towards shared goals and interests
- The association can raise funds for site improvements
- There is support for site-specific developments that are identified by tenants (eg WCs or an apiary)
- There is greater community engagement and tenant investment which, leads to a more sustainable future for each site
- The tenants are more in touch with decision making
- The association is directly involved and is able to make key decisions
- The association would have support from both Walton Charity and the National Allotment Society.

A group of allotment tenants has been elected as representatives by tenants across all four sites, to take on this role and good progress is being made on setting up the relevant agreements and handover of day-to-day operations. Walton Charity will remain very much in a supportive role to enable and support the new allotment management team, and has set aside a budget to provide grant support to help develop the allotments further.

Community Allotment

The Community Allotment is a thriving community resource which enables local people who are new to gardening or who cannot take on an individual allotment plot themselves, to enjoy the benefits of growing fresh fruit and vegetables, and to benefit from the physical activity of gardening. The Charity runs bi-weekly supported sessions specifically targeting those facing barriers associated with physical and mental health conditions or social isolation.

33 people benefited from the Community Allotment and Woodland Project in 2020-21

Due to the challenges of the COVID-19 pandemic, the Charity had to restrict access to the community allotment for a time but set up virtual social gathering to help support its members. Charity staff provided regular online sessions for our community allotment members for a period of five months during the winter, when much of the country was in lockdown. We know from feedback that these activities helped those individuals during the prolonged periods of isolation.

Both the woodland and allotment sites have benefited from improved estate management, especially with regard to tree surveys and planned programmes of tree work. Work parties to deal with overgrown areas and cutting back tree-damaging ivy have been put on hold during the pandemic, but is hoped that these will resume in line with the easing of restrictions.

Walton Charity has also provided operational support for the allotments belonging to Oatlands 1914-1919 War Memorial Charity.

We have been working on plans to create greater social value from our land and estates. We are planning a Tree Canopy Project which will be located in our woodlands at Home Farm on Rydens Road, and will offer:

- An outdoor space for the local community to enjoy, to learn more about growing and maintaining woodlands, and/or to create natural artwork
- A new Community Allotment site for local charities to run their own small-scale therapeutic gardening schemes
- A base for a Tree Warden scheme where volunteers can learn about planting and caring for trees and, working with the local authority, to help to look after our precious street trees.





COMMUNICATION

The Charity is committed to investing in its external communications and research to not only raise our profile, but also our reputation as an independent voice of authority regarding inequality.

Over the last year, we have seen a 10% increase in Twitter followers from the previous year, and we now have more than 1,100 followers.

Our website saw a 12% increase in visits with over 13,000 visits during the year. We also set up new social media channels to reach new audiences.

During the year we reviewed our key messaging and refocused on poverty and inequality.

We know that the COVID-19 pandemic has a greater impact on disadvantaged communities and that the impacts will be felt disproportionately. The extent of the impact is not known, so it is vital that we are able to communicate and engage with our local community as we emerge from the pandemic.



ENABLING & FACILITATING

Some years ago, the Charity's trustees took the strategic decision to shift their remit away from complex service provision and instead to increase its role in enabling and facilitating other charities and groups and their direct service delivery. As a permanently endowed charity, trustees recognised the need to take a long-term view and to develop the Charity's capital assets in a way that they remain flexible, responsive and have a degree of 'future proofing'. The Charity has since been able to focus on increasing grants, facilities and support for other charities and community groups.

Foodbank

The Walton & Hershaw Foodbank is part of a nationwide network of foodbanks that provide emergency food and support to local people in crisis. The project is managed by local churches and community groups, working together towards stopping hunger in our local area. The foodbank works on a voucher system with distribution centres at St. Peter's Church, Hershaw and St. John's Church, Walton on Thames.

Walton Charity supports the core finances of Walton & Hershaw Foodbank via a grant, to ensure the foodbank operation runs smoothly. The Charity also sits on the steering group.

In 2020, Walton and Hershaw Foodbank provided **1,709** food parcels to **4,712** people in crisis.

The foodbanks across Elmbridge responded to the pandemic by changing their working practices to protect volunteers, staff and clients, as well as stepping up provision. The Charity increased staff hours and provided supermarket vouchers to Walton & Hershaw Foodbank and local churches to supplement food parcels. The delivery model continued to change to reflect regulations and need. There has been incredible support from local people and companies, which meant the Foodbank was well placed to increase its services throughout the year.

Community buildings

The Charity provides community accommodation for local charities at Charities House and several other community properties.

Our community buildings are rented to our community partners, with the Charity subsidising rents in the region of £58K per annum.

Charities House

Charities House is home to Walton Charity's main office, and also provides our partners with offices and space for training, client interviews, and meetings. Charities are often unable to afford high commercial rents and the accommodation available is often unsuitable or on a short-term lease. By providing high-quality offices and meeting rooms, organisations are able to focus on service delivery to local people

During the pandemic, Walton Charity ensured Charities House remained open to enable the continuity of essential services. We are working to ensure a safe working environment and phased return in line with government guidance.

Our partners at Charities House are:

- Central Surrey Voluntary Action
- The Counselling Partnership
- Elmbridge Community Link
- Home-Start Elmbridge
- Home Support Elmbridge
- Mary Frances Trust
- North West Surrey Samaritans
- Relate West Surrey
- Rentstart
- Surrey Family & Mediation Services
- Walsingham Care
- Walton and Hersham Foodbank

Other community properties

The Charity provides accommodation to several other smaller local partners at non-commercial rents. The value of this financial subsidy is not reflected in the financial statements.

Our partners are:

- Sunbury & Walton Sea Cadets
- Elmbridge Mencap
- Hersham Community Trust

Walton Charity continues to work with Asprey Healthcare, the owners of Sherwood House residential care home for older people. The premises adjacent to the property had been vacated to make way for the expansion of the care home. However, with care homes in lockdown for much of 2020, and residents unable to meet with relatives and friends, Walton Charity agreed that the care home could use the premises to set up a haven for residents to meet with their families in a COVID-secure environment.

Asprey Healthcare also joined with Walsingham Care and Walton Charity to make a grant to Surrey Crossroads to pay for additional support for people living at home with dementia.

Volunteering and corporate support

Volunteering and corporate volunteer days were cancelled due to the local COVID-19 restrictions that were imposed.

Financial contributions from corporate donors totalled almost £13K for the financial year, and we look forward to welcoming back our corporate volunteers when local government guidelines permit.

Barclays Bank £100K COVID-19 grant

Barclays Bank awarded £100,000 to Walton Charity, to enable us to provide vital practical and emotional support to individuals and families facing financial hardship caused by COVID-19. 100% of this grant has been expended directly to benefit disadvantaged individuals and families in our community. Walton Charity covered support costs related to the delivery of the project.



STRUCTURE, GOVERNANCE & MANAGEMENT

The Charity Commission has put in place a linking directive with the permanent endowed charity number 1185959-1, with the new incorporated charity number 1185959.

For accountancy and registration purposes, this direction means that:

- the charities are registered under a single registration number
- the trustees are required to prepare a single set of accounts for the reporting charity and the linked charity, within which the individual funds of the linked charity or charities are reported as restricted funds and/or endowment, as appropriate; and
- where accruals accounts are prepared, the charities' Statement of Recommended Practice (SORP) must be used.

The linking of the Charities under section 12 is an administrative linkage, for reporting purposes only. It does not change the separate legal status of the two Charities, or the nature of the restricted funds or endowment, and it does not constitute a merger. The trustees are obligated to ensure that the funds of each Charity are still applied solely in accordance with the respective trusts.

The charity called Walton on Thames Charity ("the linked charity") shall be treated as forming part of the charity called Walton on Thames Charity ('the reporting charity') for the purposes of Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011. This direction takes effect for the whole of the financial year of the reporting charity in which it is made.

Trustee meetings

All meetings of the trustees were held virtually to comply with pandemic-related government restrictions. This is in accordance with the Memorandum and Articles of Association section 20.6.

The board of trustees met six times during the year to review performance against targets. The board continues to operate committees to monitor and review two key areas – grants; and finance and general purposes. The trustees establish time-limited working groups to address specific areas of development. The Charity keeps its policies and procedures under review according to an agreed schedule.

The trustees have established a board development action plan. A skills audit was undertaken and a targeted recruitment campaign led to the successful appointment of three new trustees with specific identified skills.

During the year, the trustees participated in a session on diversity, equity and inclusion (DEI), and have developed a statement and action which will be reviewed at six-monthly intervals.

Walton on Thames Charity is committed to treating everyone with respect and proactively challenging and tackling inequality, injustice and discrimination, in all its forms. As well as advocating positive change in our local community, we are examining how we operate as an organisation to ensure we are doing all we can to be a diverse and inclusive organisation.

The trustees also developed and agreed an ethical positioning statement covering environmental, social and governance issues. As part of this, the trustees confirmed their commitment to the Fundraising Regulators Code of Fundraising Practice.



FINANCIAL REVIEW

The Charity's main sources of income are weekly maintenance contributions from the almshouses, other rents, and returns on investments. Trustees were especially concerned with regard to the operational processes for the management of income and debtors, and controls over costs during a time when the pandemic has created additional challenges.

There was an operating loss of income over expenditure from charitable activities of £134K

Depreciation costs were £390K, and there were gains on investments of £4,486K

Due mainly to the significant gains on investments, the total surplus for the year was £4,352K

The Charity's investment portfolio recovered after the sudden drop in value at the beginning of the financial year due to the impact of the COVID-19 pandemic. Trustees closely monitored the financial position of the Charity and reassessed forecasts and cash flows on a quarterly basis. The trustees were able to meet the increased demand for grants and support throughout the financial year.

Investment policy and performance

The assets of the Charity must be invested in accordance with the Trustee Act 2000.

During the year, the trustees undertook a full review of the Charity's investments and fund managers. A working group of trustees interviewed four charity-specialist investment managers. After due consideration, the trustees decided to change fund managers and moved the Charity's portfolio from Rathbones to Cazenove in January 2021. Trustees adopted a total return approach using the audited financial statements dated 31 March 2020, to crystallise the permanent endowment investment at **£17,199,274**.

Funds are invested in Cazenove's Responsible Multi-Asset Fund (RMAF). The RMAF is an ethical pooled fund, and the Charity has two accounts reflecting the permanent endowment and the non-permanent endowment funds.

The trustees have established an investment strategy based on the following criteria:

Objective – balanced return between income and capital – total return

Risk – medium

Mandate – socially responsible investing

The trustees have established a **benchmark**, a standardised measure against which our fund manager can be evaluated. Cazenove uses the **ARC Sterling Steady Growth PCI**, which is standardised across the industry and the trustees will monitor performance quarterly.

The overall objectives are to create sufficient income and capital growth to enable the Charity to meet its stated objectives year on year. This should be with due and proper consideration of the future needs of the Charity and the maintenance and enhancement of the value of the invested funds. This is also with a view to the preservation of assets and steady income in normal markets, and to protect against sharp downturns with a fully diversified investment portfolio.

Reserves policy and designation of funds

The Charity must consider the financial risks of managing residential services and its portfolio of land and properties. This is particularly challenging considering the recent impact of the COVID-19 pandemic. The trustees have reviewed its financial commitments as well as future areas of major potential expenditure. Trustees have identified several areas requiring significant funds which include the potential development and acquisition of additional housing, as well as the necessity to be able to provide responsive and possibly increasing community grant funding to address the local impact of the pandemic. As a result, the

trustees have agreed to the allocation of funds to specific designated funds as below:

- Property development and acquisition (£2.5m)
- Future grants (£500m)
- Capital invested to generate income to fund grants (£7.5m)

Trustees have agreed a target for unrestricted reserves of 12 months' running costs, currently in the region of £2.3m. The level of reserves and designated funds is kept under review throughout the year and in light of any impacts of the pandemic.

Charity funds

The Charity's assets are categorised and clearly identified in the accounts, and at the financial year end were:

- £21,513,061 – 60% permanent endowment funds
- £731,374 – 2% restricted funds (property repair and improvement fund)
- £13,734,811 – 38% unrestricted funds

During the period, it has been identified that the allocation of tangible assets between unrestricted funds and the permanent endowment funds was incorrect in the prior year statutory accounts.

A prior year adjustment of £595,432 has therefore been made to amend the allocation. As a result, the balance carried forward from the prior year permanent endowment fund is reduced to £21,369,886 from £21,965,318, and the balance carried forward from unrestricted funds is increased to £9,181,821 from £8,586,389.

Financial controls

The Charity has tight financial controls. In addition to a comprehensive risk register, the Charity has in place several system checks, reporting mechanisms and delegated authorities, consistent with best practices which safeguard the integrity of its assets and prevent irregular behaviour that could impair the Charity's financial sustainability. The accounting procedures are regularly reviewed, updated and approved by the trustees.

The register of risks has been reviewed at regular intervals over the past year to assess the impact of the pandemic on the Charity. This regular monitoring and mitigation of risks has supported decision making for the trustees.

During the year, two risks were identified as 'very high' due to the impact of the pandemic:

- **Loss of residents** – this was reduced by strict cleaning and COVID-secure protocols.
- **Reduced investment returns** – this was managed through close monitoring of cash flow and ensuring liquidity of funds.

Only one identified risk remains at 'high' – the Charity's information technology structure. This was highlighted due to the requirements of staff working from home. This risk is being addressed through the development of a more robust IT strategy and an update to IT infrastructure, as well as purchase of additional hardware.

A full review of risks will be undertaken to reassess the wider environment as we emerge from the pandemic.



TRUSTEES' RESPONSIBILITIES

The charity's trustees (who are also the directors of Walton on Thames Charity for the purposes of company law), are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Charity's trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure of information to the auditor

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the company's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the company's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.



A C K N O W L E D G E M E N T S & T H A N K S

As always, we would like to say a huge and heartfelt 'Thanks' to our board of trustees, volunteers, partners, companies, friends, colleagues, staff and supporters who add value to our work in so many ways. These strong partnerships have been key over the past 12 months, during the COVID-19 pandemic, and we are immensely grateful for the additional help and support for the Charity during these challenging times.

Overall, the Charity has achieved a great deal during the past year, despite the many challenges. The COVID-19 pandemic will no doubt have long-lasting impacts on our community, and Walton Charity remains committed to tackling both the symptoms and underlying causes of poverty and inequality in Elmbridge.

Signed on behalf of the Board of Trustees



Nicholas Stuart
Chair of Trustees

Date: 26th August 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WALTON ON THAMES CHARITY

Opinion

We have audited the financial statements of Walton on Thames Charity (the 'charity') for the year ended 31 March 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

WALTON ON THAMES CHARITY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WALTON ON THAMES CHARITY (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

WALTON ON THAMES CHARITY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WALTON ON THAMES CHARITY (CONTINUED)

Auditors' 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 Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant:

- The Companies Act 2006;
- Charities Act 2011;
- Statement of Recommended Practice Accounting and Reporting by Charities 2015 [FRS 102]
- UK Employment Legislation;
- UK Health and Safety Legislation;
- Statement of Recommended Practice Accounting by Registered Social Housing Providers 2014;
- Social Housing Legislation; and
- General Data Protection Regulations.

We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items

We understood how the Company is complying with those legal and regulatory frameworks by, making inquiries to management, those responsible for legal and compliance procedures and the company secretary.

The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.

We assessed the susceptibility of the Company financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Identifying and assessing the measures management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls
- Understanding other inappropriate influence over the financial reporting process;
- Challenging assumptions and judgments made by management in its significant accounting estimates; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

As a result of the above procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

- The application of inappropriate judgements or estimation to manipulate the financial position; and
- Posting of unusual journals and complex transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

WALTON ON THAMES CHARITY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WALTON ON THAMES CHARITY (CONTINUED)

Use of our report

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



Janice Matthews FCA (Senior statutory auditor)

for and on behalf of

Menzies LLP

Chartered Accountants

Statutory Auditor

Centrum House

36 Station Road

Egham

Surrey

TW20 9LF

Date: 23rd September 2021

WALTON ON THAMES CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

| | Note | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Permanent Endowment funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|-------|---------------------------------|-------------------------------|--|--------------------------|--------------------------|
| Income and endowments from: | | | | | | |
| Donations and legacies | 4 | - | 169,329 | - | 169,329 | 26,227 |
| Charitable activities | 5 | 1,205,877 | - | - | 1,205,877 | 1,200,576 |
| Investments | 6 | 641,972 | - | - | 641,972 | 856,772 |
| Other income | 7 | 155,152 | - | - | 155,152 | 270,011 |
| Total income and endowments | | 2,003,001 | 169,329 | - | 2,172,330 | 2,353,586 |
| Expenditure on: | | | | | | |
| Raising funds | 8 | 117,978 | - | - | 117,978 | 79,747 |
| Charitable activities | 11 | 1,780,323 | 169,329 | 150,479 | 2,100,131 | 1,757,587 |
| Other expenditure | 10 | 87,824 | - | - | 87,824 | 157,052 |
| Total expenditure | | 1,986,125 | 169,329 | 150,479 | 2,305,933 | 1,994,386 |
| Net gains/(losses) on investments | | 1,740,317 | - | 2,745,732 | 4,486,049 | (2,305,195) |
| Net income | | 1,757,193 | - | 2,595,253 | 4,352,446 | (1,945,995) |
| Transfers between funds | 21 | 2,795,797 | (343,719) | (2,452,078) | - | - |
| Net movement in funds | | 4,552,990 | (343,719) | 143,175 | 4,352,446 | (1,945,995) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward (as restated) | 20,21 | 9,181,821 | 1,075,093 | 21,369,886 | 31,626,800 | 33,572,795 |
| Net movement in funds | | 4,552,990 | (343,719) | 143,175 | 4,352,446 | (1,945,995) |
| Total funds carried forward | | 13,734,811 | 731,374 | 21,513,061 | 35,979,246 | 31,626,800 |

All activities relate to continuing operations.

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

The notes on pages 30 to 49 form part of these financial statements.

WALTON ON THAMES CHARITY

REGISTERED NUMBER: 12202541

BALANCE SHEET AS AT 31 MARCH 2021

| | Note | 2021 £ | As restated 2020 £ |
|---|------|--------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 15 | 8,208,514 | 8,271,502 |
| Investments | 16 | 28,100,623 | 23,487,562 |
| | | <u>36,309,137</u> | <u>31,759,064</u> |
| Current assets | | | |
| Debtors | 17 | 71,305 | 84,055 |
| Cash at bank and in hand | | 159,203 | 188,055 |
| | | <u>230,508</u> | <u>272,110</u> |
| Creditors: amounts falling due within one year | 18 | (368,292) | (245,414) |
| Net current liabilities / assets | | <u>(137,784)</u> | <u>26,696</u> |
| Total assets less current liabilities | | <u>36,171,353</u> | <u>31,785,760</u> |
| Creditors: amounts falling due after more than one year | 19 | (192,107) | (158,960) |
| Total net assets | | <u><u>35,979,246</u></u> | <u><u>31,626,800</u></u> |
| Charity funds | | | |
| Permanent Endowment funds | 21 | 21,513,061 | 21,369,886 |
| Restricted funds | 21 | 731,374 | 1,075,093 |
| Unrestricted funds | 21 | 13,734,811 | 9,181,821 |
| Total funds | | <u><u>35,979,246</u></u> | <u><u>31,626,800</u></u> |

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Nicholas Stuart

N H B Stuart
(Chair of Trustees)
Date: 26th August 2021

J L Hobbs

J L Hobbs
(Trustee)

The notes on pages 30 to 49 form part of these financial statements.

WALTON ON THAMES CHARITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

| | | 2021 £ | <i>As restated</i> 2020 £ |
|---|-------------|------------------|---------------------------------|
| Cash flows from operating activities | Note | | |
| Net cash used in operating activities | 24 | (97,819) | (41,399) |
| Cash flows from investing activities | | | |
| Dividends, interests and rents from investments | | 641,972 | <i>856,772</i> |
| Purchase of tangible fixed assets | | (327,142) | <i>(1,613,310)</i> |
| Purchase of investments | | (100,000) | <i>-</i> |
| Movement of cash account held as part of investment portfolio | | (114,837) | <i>730,846</i> |
| Lease interest paid | | (21,804) | <i>(12,508)</i> |
| Loan interest paid | | (8,634) | <i>-</i> |
| Net cash provided by/(used in) investing activities | | 69,555 | (38,200) |
| Cash flows from financing activities | | | |
| Repayments of borrowing | | (588) | <i>(530)</i> |
| Net cash used in financing activities | | (588) | (530) |
| Change in cash and cash equivalents in the year | | (28,852) | (80,129) |
| Cash and cash equivalents at the beginning of the year | | 188,055 | <i>268,184</i> |
| Cash and cash equivalents at the end of the year | | 159,203 | <i>188,055</i> |

The notes on pages 30 to 49 form part of these financial statements

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Walton on Thames Charity is an incorporated charity registered with the Charities Commission in England and Wales, charity number 1185959. The address of the principal office of the charity is Walton On Thames Charity Charities House, 2 The Quintet, Churchfield Road, Walton On Thames, Surrey, KT12 2TZ.

2. Linked Charities

By resolution of the board of trustee's, it was agreed that the charitable company appointed as the sole corporate trustee of the permanent endowment of the existing charity; Walton on Thames Charity ("the linked charity"). It holds the legal title of the property, investments assets, liabilities and existing reserves. Walton on Thames Charity ("the incorporated charity") holds the legal and beneficial title to all non-permanent endowed assets.

A linking directive has been received and accepted by the Charities Commission and the Commission directs that as of 14 April 2020, the charity called Walton on Thames Charity ("the linked charity") shall be treated as forming part of the charity called Walton on Thames Charity ("the incorporated charity") for the purposes of Part 4 (resignation) and Part 8 (accounting) of the Charities Act 2011. The effect of this is the charities are registered under a single registration number and the trustees are required to prepare a single set of accounts for the incorporated charity and the linked charity going forward.

3. Accounting policies

3.1 Basis of preparation of financial statements

As an Almshouse Charity and Registered Social Landlord, the financial statements have been prepared in accordance with the special regime of Part VI of the Charities Act 2011 which permits the financial statements to be prepared in accordance with the 2014 Statement of Recommended Practice Accounting by Registered Social Housing Providers where this is appropriate and with the Statement of Recommended Practice Accounting and Reporting by Charities 2015 for those activities which are not explicitly referred to the 2014 Statement of Recommended Practice Accounting by Registered Social Housing Providers.

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Walton on Thames Charity 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.

The financial statements are prepared in sterling which is also the functional currency of the charity and rounded to the nearest pound.

3.2 Going concern

As part of the trustees assessment of going concern, they have prepared cash flow projections for the a significant period. The projections have been prepared on an appropriate basis taking into account feasible assumptions and the current economic conditions that exist.

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to enable to continue in operational existence for the foreseeable future. Therefore the trustees believe that going concern basis is appropriate and have prepared the accounts on the going concern basis.

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3. Accounting policies (continued)

3.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and fundraising events from individuals and sponsors are taken into accounts on the accruals basis. Donations received during the year are recorded as donation income and any deferred income is recognised under accruals and deferred income accordingly.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Revenue related to sheltered housing is recognised to the extent that it is probable that the economic benefit will flow to the charity and revenue can be reliably measured. Sheltered housing represents rentals and service charge income and allowances net of losses from vacant accommodation and sundry income.

Other income is recognised in the period in which it is receivable and to the extent to which services have been provided.

3.4 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

3.5 Social Housing Grants (SHG)

SHGs are paid to reduce the cost of development on housing properties. These are shown on the balance sheet and amortised over the expected remaining life of the property. SHGs are repayable under certain circumstances, primarily the sale of a property but will normally be restricted to the net proceeds of the sale. Under current legislation, in most cases, any SHG that arises on the sale of a property can be retained and transferred into a Recycled Capital Grant account and can be used for new development work or major repairs on eligible properties.

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3. Accounting policies (continued)

3.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Properties included in Independent living houses are recorded at cost less Social Housing Grants received. The cost of such properties includes the following:

- a. Cost of acquiring land and buildings
- b. Development expenditure

All invoices and architects' certificates relating to capital expenditure incurred in the year at gross value before retention, are included in the financial statements for the year, provided that the dates of issue or valuation are prior to the year end.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

| | |
|-----------------------|---------------------------|
| Freehold property | - 2-10% straight line |
| Motor vehicles | - 25% straight line |
| Fixtures and fittings | - 10% - 20% straight line |

3.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'net gains/(losses) on investments' in the statement of financial activities.

3.8 Debtors

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

3.9 Cash at bank and in hand

Cash at bank and in hand includes cash and cash equivalent.

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3. Accounting policies (continued)

3.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

3.11 Pensions

The Charity has a defined contribution pension scheme for the benefit of its employees. Contributions are charged in the income and expenditure account for the period in which it is paid.

3.12 Mortgages

Mortgage loans are advanced by Orchardbrook Limited under the terms of individual mortgage deeds in respect of those developments which have been given approval by Orchardbrook Limited.

3.13 Extraordinary Repairs Fund

Under the terms of the Charity's Trust Deed, an amount is set aside from the charity's income each year for the purpose of providing the extraordinary repair, improvement or rebuilding of the almshouses and other property belonging to the charity.

3.14 Fund accounting

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

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

Permanent Endowment funds are restricted capital funds with no power to convert to capital income.

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

Investment income, gains and losses are allocated to the appropriate fund.

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

4. Income from donations and legacies

| | Restricted funds 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|-------------------|--|---------------------------------------|---------------------------------------|
| Donations | 51,997 | 51,997 | 15,259 |
| Grants | 117,332 | 117,332 | 10,968 |
| Total 2021 | <u>169,329</u> | <u>169,329</u> | <u>26,227</u> |
| <i>Total 2020</i> | <u>26,227</u> | <u>26,227</u> | |

5. Income from charitable activities

| | Unrestricted funds 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|---|--|---------------------------------------|---------------------------------------|
| Sheltered housing maintenance contributions | 981,852 | 981,852 | 1,001,636 |
| Allotments & other rents | 224,025 | 224,025 | 198,940 |
| Total 2021 | <u>1,205,877</u> | <u>1,205,877</u> | <u>1,200,576</u> |
| <i>Total 2020</i> | <u>1,200,576</u> | <u>1,200,576</u> | |

6. Investment income

| | Unrestricted funds 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|---------------------------------|--|---------------------------------------|---------------------------------------|
| Investment dividends & interest | 641,735 | 641,735 | 855,758 |
| Bank interest | 237 | 237 | 1,014 |
| Total 2021 | <u>641,972</u> | <u>641,972</u> | <u>856,772</u> |
| <i>Total 2020</i> | <u>856,772</u> | <u>856,772</u> | |

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

7. Other incoming resources

| | Unrestricted funds 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|-------------------|--|---------------------------------------|---------------------------------------|
| Rental income | 155,152 | 155,152 | 270,011 |
| | <hr/> | <hr/> | <hr/> |
| <i>Total 2020</i> | <i>270,011</i> | <i>270,011</i> | |
| | <hr/> | <hr/> | |

8. Expenditure on raising funds

Costs of raising income and capital growth

| | Unrestricted funds 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|----------------------------|--|---------------------------------------|---------------------------------------|
| Investment management fees | 117,978 | 117,978 | 79,747 |
| | <hr/> | <hr/> | <hr/> |
| <i>Total 2020</i> | <i>79,747</i> | <i>79,747</i> | |
| | <hr/> | <hr/> | |

9. Analysis of grants

| | Grants to Institutions 2021 £ | Grants to Individuals 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|------------------------|--|---|---------------------------------------|---------------------------------------|
| Local community grants | 501,851 | 55,728 | 557,579 | 280,406 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| <i>Total 2020</i> | <i>222,257</i> | <i>58,149</i> | <i>280,406</i> | |
| | <hr/> | <hr/> | <hr/> | |

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

9. Analysis of grants (continued)

The Charity has made the following material grants to institutions during the year:

| | 2021 £ | 2020 £ |
|-----------------------------|----------------|----------------|
| Name of institution | | |
| Schools opportunities funds | 57,669 | 36,115 |
| Delegated funds | 34,000 | 11,648 |
| Community grants | 304,811 | 146,535 |
| COVID-19 grant | 105,371 | 18,370 |
| Learning and development | - | 2,949 |
| Community Projects | - | 6,640 |
| | 501,851 | 222,257 |
| | 501,851 | 222,257 |

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|-----------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Schools opportunities funds | 57,669 | - | 57,669 | 36,115 |
| Delegated funds | 34,000 | - | 34,000 | 11,648 |
| Community grants | 240,853 | 63,958 | 304,811 | 146,535 |
| COVID-19 grant | - | 105,371 | 105,371 | 18,370 |
| Learning and development | - | - | - | 2,949 |
| Community Projects | - | - | - | 6,640 |
| | 332,522 | 169,329 | 501,851 | 222,257 |
| <i>Total 2020</i> | 222,257 | - | 222,257 | |

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

10. Other expenditure

| | Unrestricted funds 2021 £ | Permanent Endowment funds 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|---------------------------------|--|---|---------------------------------------|---------------------------------------|
| Loss on disposal of investments | 87,824 | - | 87,824 | 157,052 |
| <i>Total 2020</i> | 86,512 | 70,540 | 157,052 | |

11. Analysis of expenditure by activities

| | Activities undertaken directly 2021 £ | Grant funding of activities 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|-------------------------|--|---|---------------------------------------|---------------------------------------|
| Local community support | 1,542,552 | 557,579 | 2,100,131 | 1,757,587 |
| <i>Total 2020</i> | 1,477,181 | 280,406 | 1,757,587 | |

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

11. Analysis of expenditure by activities (continued)

Analysis of direct costs

| | Charitable activities 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--------------------------------------|---------------------------------------|-----------------------------|-----------------------------|
| Staff costs | 615,341 | 615,341 | 540,561 |
| Depreciation | 390,130 | 390,130 | 344,836 |
| Other residential expenses | 15,663 | 15,663 | 6,939 |
| Other staff costs | 12,297 | 12,297 | 24,083 |
| Rates | 24,268 | 24,268 | 24,641 |
| Heating & lighting | 96,662 | 96,662 | 88,975 |
| Printing, postage and stationery | 6,832 | 6,832 | 8,690 |
| Subscriptions, books & publications | 4,431 | 4,431 | 7,660 |
| Insurance | 24,270 | 24,270 | 19,990 |
| Motor and travel expenses | 1,596 | 1,596 | 4,974 |
| Computer expenses | 19,381 | 19,381 | 5,537 |
| Telephone | 25,733 | 25,733 | 22,061 |
| Cleaning | 31,108 | 31,108 | 35,723 |
| Repairs & maintenance | 179,878 | 179,878 | 250,664 |
| Advertising | - | - | 552 |
| Legal and professional fees | 47,880 | 47,880 | 60,716 |
| Auditor's remuneration & accountancy | 14,122 | 14,122 | 9,018 |
| Sundry expenses | 2,032 | 2,032 | 8,441 |
| Bank charges | 286 | 286 | 462 |
| Loan interest payable | 8,634 | 8,634 | - |
| Bad debts | 204 | 204 | 150 |
| Lease interest payable | 21,804 | 21,804 | 12,508 |
| Total 2021 | <u>1,542,552</u> | <u>1,542,552</u> | <u>1,477,181</u> |
| <i>Total 2020</i> | <u>1,477,181</u> | <u>1,477,181</u> | |

12. Auditors' remuneration

| | 2021 £ | 2020 £ |
|---|--------------|-----------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | 7,950 | 9,018 |
| Fees payable to the Charity's auditor in respect of: All non-audit services not included above | 3,250 | - |

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

13. Staff costs

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| Wages and salaries | 525,202 | 459,920 |
| Social security costs | 48,208 | 41,259 |
| Contribution to defined contribution pension schemes | 41,931 | 39,382 |
| | <u>615,341</u> | <u>540,561</u> |

The average number of persons employed by the Charity during the year was as follows:

| | 2021 No. | 2020 No. |
|-------------------|-------------|-------------|
| Average employees | <u>24</u> | <u>23</u> |

The average number of full time equivalent persons employed during the year was:

| | 2021 No. | 2020 No. |
|-----------------------------|-------------|-------------|
| Average full time employees | <u>17</u> | <u>17</u> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2021 No. | 2020 No. |
|-------------------------------|-------------|-------------|
| In the band £60,001 - £70,000 | - | 1 |
| In the band £70,001 - £80,000 | <u>1</u> | <u>-</u> |

Pension contribution in respect to that employee were £8,514 (2020: 8,266).

During the year, four individuals made up key management personnel and received remuneration of £183,517 (2020 - £180,383).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

15. Tangible fixed assets

| | Freehold properties £ | Motor vehicles £ | Fixtures and fittings £ | Total £ |
|--------------------------|-----------------------------|------------------------|-------------------------------|-------------------|
| Cost or valuation | | | | |
| At 1 April 2020 | 11,597,200 | 77,030 | 1,532,050 | 13,206,280 |
| Additions | 327,142 | - | - | 327,142 |
| Disposals | - | (63,568) | - | (63,568) |
| At 31 March 2021 | 11,924,342 | 13,462 | 1,532,050 | 13,469,854 |
| Depreciation | | | | |
| At 1 April 2020 | 3,603,023 | 71,674 | 1,260,081 | 4,934,778 |
| Charge for the year | 321,513 | 2,692 | 65,925 | 390,130 |
| On disposals | - | (63,568) | - | (63,568) |
| At 31 March 2021 | 3,924,536 | 10,798 | 1,326,006 | 5,261,340 |
| Net book value | | | | |
| At 31 March 2021 | 7,999,806 | 2,664 | 206,044 | 8,208,514 |
| At 31 March 2020 | 7,994,177 | 5,356 | 271,969 | 8,271,502 |

| | Unrestricted funds 2021 £ | Permanent Endowment funds 2021 £ | Total funds 2021 £ | As restated Total funds 2020 £ |
|------------------------|------------------------------------|--|-----------------------------|--|
| Freehold properties | 3,851,052 | 4,148,754 | 7,999,806 | 7,994,177 |
| Motor vehicles | 2,664 | - | 2,664 | 5,356 |
| Fixture and fittings | 41,011 | 165,033 | 206,044 | 271,969 |
| Total 2021 | 3,894,727 | 4,313,787 | 8,208,514 | 8,271,502 |
| Total 2020 as restated | 4,100,890 | 4,170,612 | 8,271,502 | |

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

16. Fixed asset investments

| | Extraordinary Repair Fund £ | Main Fund £ | Total £ |
|--------------------------|-----------------------------------|-------------------|-------------------|
| Cost or valuation | | | |
| At 1 April 2020 | 2,295,402 | 21,192,160 | 23,487,562 |
| Additions | - | 35,551,326 | 35,551,326 |
| Disposals | (2,295,402) | (33,128,911) | (35,424,313) |
| Revaluations | - | 4,486,048 | 4,486,048 |
| At 31 March 2021 | - | 28,100,623 | 28,100,623 |

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Permanent Endowment funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------------------|------------------------------------|----------------------------------|--|-----------------------------|-----------------------------|
| Extraordinary Repair Fund | - | - | - | - | 2,295,402 |
| Main Fund | 10,169,975 | 731,374 | 17,199,274 | 28,100,623 | 21,192,160 |
| Total 2021 | 10,169,975 | 731,374 | 17,199,274 | 28,100,623 | 23,487,562 |
| <i>Total 2020</i> | <i>5,213,195</i> | <i>1,075,093</i> | <i>17,199,274</i> | <i>23,487,562</i> | |

Investments are held primarily to provide an investment return for the Charity.

During the year, there has been disposal of the full amount of extraordinary repair to the main fund. In addition, there has been change in investment managers and the way the investments are held as disclosed in the aforementioned trustees report.

17. Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|---------------|---------------|
| Due within one year | | |
| Rent receivable | 45,240 | 37,227 |
| Prepayments and accrued income | 26,065 | 46,828 |
| | 71,305 | 84,055 |

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

18. Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------|----------------|----------------|
| Trade creditors | 40,295 | 49,946 |
| Other creditors | 21,936 | 22,723 |
| Accruals and rent in advance | 129,633 | 72,338 |
| Grant payable | 176,428 | 100,407 |
| | <u>368,292</u> | <u>245,414</u> |

19. Creditors: Amounts falling due after more than one year

| | 2021 £ | 2020 £ |
|-----------------|----------------|----------------|
| Mortgage loans | 81,784 | 82,372 |
| Deferred grants | 110,323 | 76,588 |
| | <u>192,107</u> | <u>158,960</u> |

The mortgage loan is secured on properties at 34, 36 and 38 Severn Drive, is repayable by annual installments of interest and capital totaling £9,225, bears interest at 10.50% per annum and is repayable by 2047.

20. Prior year adjustments

The opening reserves for unrestricted funds and permanent endowment funds have been adjusted by £595,432 to correct the allocation between the tangible fixed assets movement between funds. As a result, the balance carried forward from prior year permanent endowment fund is reduced to £21,369,886 from £21,965,318 and balance carried forward from unrestricted fund is increased to £9,181,821 from £8,586,389.

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

21. Statement of funds

Statement of funds - current year

| | As restated Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/(out) £ | Gains/ (Losses) £ | Balance at 31 March 2021 £ |
|-------------------------------------|--|-------------------------|---------------------------|----------------------------|-------------------------|----------------------------------|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Grant commitments | 500,000 | - | - | - | - | 500,000 |
| Development of Housing | 2,500,000 | - | - | - | - | 2,500,000 |
| Generating Income for Grant Funding | 2,500,000 | - | - | 5,000,000 | - | 7,500,000 |
| | <u>5,500,000</u> | <u>-</u> | <u>-</u> | <u>5,000,000</u> | <u>-</u> | <u>10,500,000</u> |
| General funds | | | | | | |
| General Funds | 3,681,821 | 2,003,001 | (1,986,125) | (2,204,203) | 1,740,317 | 3,234,811 |
| Total Unrestricted funds | <u>9,181,821</u> | <u>2,003,001</u> | <u>(1,986,125)</u> | <u>2,795,797</u> | <u>1,740,317</u> | <u>13,734,811</u> |
| Permanent Endowment | | | | | | |
| Capital reserve | 21,369,886 | - | (150,479) | (2,452,078) | 2,745,732 | 21,513,061 |
| Restricted funds | | | | | | |
| Extraordinary repair Funds | 1,075,093 | - | - | (343,719) | - | 731,374 |
| COVID-19 and Community funds | - | 169,329 | (169,329) | - | - | - |
| | <u>1,075,093</u> | <u>169,329</u> | <u>(169,329)</u> | <u>(343,719)</u> | <u>-</u> | <u>731,374</u> |
| Total of funds | <u><u>31,626,800</u></u> | <u><u>2,172,330</u></u> | <u><u>(2,305,933)</u></u> | <u><u>-</u></u> | <u><u>4,486,049</u></u> | <u><u>35,979,246</u></u> |

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

21. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 April 2019 £ | Income £ | Expenditure £ | Prior Year Adjustment £ | Transfers in/out £ | Gains/ (Losses) £ | As restated Balance at 31 March 2020 £ |
|-------------------------------------|---------------------------------|-------------------------|---------------------------|-------------------------------|--------------------------|---------------------------|--|
| Unrestricted funds | | | | | | | |
| Designated funds | | | | | | | |
| Grant commitments | 500,000 | - | - | - | - | - | 500,000 |
| Development of Housing | 2,500,000 | - | - | - | - | - | 2,500,000 |
| Generating Income for Grant Funding | 1,500,000 | - | - | - | 1,000,000 | - | 2,500,000 |
| | <u>4,500,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,000,000</u> | <u>-</u> | <u>5,500,000</u> |
| General funds | | | | | | | |
| General Funds | 3,218,252 | 2,353,586 | (1,866,927) | 595,432 | (177,652) | (440,870) | 3,681,821 |
| Total Unrestricted funds | <u>7,718,252</u> | <u>2,353,586</u> | <u>(1,866,927)</u> | <u>595,432</u> | <u>822,348</u> | <u>(440,870)</u> | <u>9,181,821</u> |
| Permanent Endowment | | | | | | | |
| Capital reserve | 23,991,818 | - | (127,460) | (595,432) | - | (1,899,040) | 21,369,886 |
| Restricted funds | | | | | | | |
| Extraordinary repair Funds | 1,862,725 | - | - | - | (822,348) | 34,716 | 1,075,093 |
| Total of funds | <u><u>33,572,795</u></u> | <u><u>2,353,586</u></u> | <u><u>(1,994,387)</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>(2,305,194)</u></u> | <u><u>31,626,800</u></u> |

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

21. Statement of funds (continued)

Designated Funds

Designated funds amounting to £10,500,000 have been set aside to ensure that the charity has sufficient reserves for its on-going grant, housing and income generation commitments. During the year, there was a transfer of £5,000,000 to the designated funds from unrestricted funds.

Permanent Endowment Funds

The Permanent Endowment Fund was clarified and agreed with the Charity Commission in 2012. The Permanent Endowment originates from the sale of land and assets that were part of the original charities. As a permanent endowment fund, the assets cannot be directly applied to cover charitable expenditure, but income derived therefrom is unrestricted, and can be used in accordance with the charitable objects.

Restricted Funds

Under the terms of the Trust Deed of 2 April 1984, the Trustees set aside funds for the purpose of providing for the extraordinary repair, improvement or rebuilding of the almshouses and other property belonging to the Charity. Details of the investments representing the Extraordinary Repair Fund are shown in note 16.

A transfer in terms of the Trust Deed of £343,719 (2020: £476,563) has been made on 31 March 2021 from the restricted reserves to the unrestricted reserves, representing repairs expenditure initially incurred on unrestricted reserves.

COVID-19 and Community Funds

COVID-19 and community fund was created during the year as a result of restricted COVID-19 funds received and an equal amount has been paid as grant which is the condition of the restricted COVID-19 fund received.

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

22. Summary of funds

Summary of funds - current year

| | As restated Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/(out) £ | Gains/ (Losses) £ | Balance at 31 March 2021 £ |
|---------------------------------|--|------------------|--------------------|----------------------------|-------------------------|----------------------------------|
| Designated funds | 5,500,000 | - | - | 5,000,000 | - | 10,500,000 |
| General funds | 3,681,821 | 2,003,001 | (1,986,125) | (2,204,203) | 1,740,317 | 3,234,811 |
| Permanent Endowment funds | 21,369,886 | - | (150,479) | (2,452,078) | 2,745,732 | 21,513,061 |
| Restricted funds | 1,075,093 | 169,329 | (169,329) | (343,719) | - | 731,374 |
| | 31,626,800 | 2,172,330 | (2,305,933) | - | 4,486,049 | 35,979,246 |

Summary of funds - prior year

| | Balance at 1 April 2019 £ | Income £ | Expenditure £ | Prior Year Adjustment £ | Transfers in/(out) £ | Gains/ (Losses) £ | As restated Balance at 31 March 2020 £ |
|---------------------------------|---------------------------------|------------------|--------------------|-------------------------------|----------------------------|-------------------------|---|
| Designated funds | 4,500,000 | - | - | - | 1,000,000 | - | 5,500,000 |
| General funds | 3,218,252 | 2,353,586 | (1,866,927) | 595,432 | (177,652) | (440,870) | 3,681,821 |
| Permanent Endowment funds | 23,991,818 | - | (127,460) | (595,432) | - | (1,899,040) | 21,369,886 |
| Restricted funds | 1,862,725 | - | - | - | (822,348) | 34,716 | 1,075,093 |
| | 33,572,795 | 2,353,586 | (1,994,387) | - | - | (2,305,194) | 31,626,800 |

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Permanent Endowment funds 2021 £ | Total funds 2021 £ |
|-------------------------------------|------------------------------------|----------------------------------|--|-----------------------------|
| Tangible fixed assets | 3,894,727 | - | 4,313,787 | 8,208,514 |
| Fixed asset investments | 10,169,975 | 731,374 | 17,199,274 | 28,100,623 |
| Current assets | 230,508 | - | - | 230,508 |
| Creditors due within one year | (368,292) | - | - | (368,292) |
| Creditors due in more than one year | (192,107) | - | - | (192,107) |
| Total | 13,734,811 | 731,374 | 21,513,061 | 35,979,246 |

Analysis of net assets between funds - prior year

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Permanent Endowment funds 2020 £ | Total funds 2020 £ |
|-------------------------------------|------------------------------------|----------------------------------|--|-----------------------------|
| Tangible fixed assets - As restated | 4,100,890 | - | 4,170,612 | 8,271,502 |
| Fixed asset investments | 5,213,195 | 1,075,093 | 17,199,274 | 23,487,562 |
| Current assets | 272,110 | - | - | 272,110 |
| Creditors due within one year | (245,414) | - | - | (245,414) |
| Creditors due in more than one year | (158,960) | - | - | (158,960) |
| Total | 9,181,821 | 1,075,093 | 21,369,886 | 31,626,800 |

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

24. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2021 £ | 2020 £ |
|--|--------------------|--------------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | 4,352,446 | (1,945,995) |
| Adjustments for: | | |
| Depreciation charges | 390,130 | 344,836 |
| (Gains)/losses on investments | (4,486,049) | 2,305,194 |
| Dividends, interests and rents from investments | (641,972) | (856,772) |
| Loss on the sale of investments | 87,824 | 157,052 |
| Decrease/(increase) in debtors | 12,750 | (21,615) |
| Increase/(decrease) in creditors | 156,614 | (36,607) |
| Lease interest payable | 21,804 | 12,508 |
| Loan interest payable | 8,634 | - |
| Net cash used in operating activities | (97,819) | (41,399) |

25. Analysis of cash and cash equivalents

| | 2021 £ | 2020 £ |
|--|----------------|-----------|
| Cash in hand | 159,203 | 188,055 |
| Total cash and cash equivalents | 159,203 | 188,055 |

26. Analysis of changes in net debt

| | At 1 April 2020 £ | Cash flows £ | At 31 March 2021 £ |
|--------------------------|-------------------------|-----------------|--------------------------|
| Cash at bank and in hand | 188,055 | (28,852) | 159,203 |
| Debt due after 1 year | (82,372) | 588 | (81,784) |
| | 105,683 | (28,264) | 77,419 |

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

27. Other Assets

No account has been taken in the Balance sheet for the following assets:

- a) Poor's Allotment Charity - land in Walton on Thames Surrey, said by the Charity Commission Scheme of 22 February 1963 to be vested in the Official Custodian for Charity.
- b) The Almshouses Charity - land situated at Walton on Thames Surrey, forming the site of the Almshouses, formerly belonging to United Charity (the Almshouses Charity) having frontage to Hersham Road, known as "Mayfield" Hersham Road.
- c) Common Plat Non-Ecclesiastical Charity - the right half of the clear yearly income of the Charity, consisting of the property constituting the endowment of the original Common Plat of Plat Charity.
- d) Charity of Henry Smith - the right to a yearly sum £6,720 (2020: £6,720).
- e) The Trustees state that the land, including that referred to above, in the ownership of the Charity at 31 March 2004 totals 130.12 acres or thereabouts.

28. Operating lease commitments

At 31 March 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2021 £ | 2020 £ |
|--|---------------|----------------|
| Not later than 1 year | 22,408 | 22,408 |
| Later than 1 year and not later than 5 years | 57,785 | 84,155 |
| | <u>80,193</u> | <u>106,563</u> |