



waltoncharity
Building a thriving Elmbridge community



Trustees' report and financial statements for
the year ended 31 March 2023

Charity administration

BOARD OF TRUSTEES/COMPANY DIRECTORS

Chair

Ms Sarah Tomkins
Mr Nicholas Stuart

From 28 April 2022
Until 28 April 2022 (retired as trustee 27 April 2023)

Vice Chair

Mr Robert Mills
Ms Alexandra Fitzpatrick

Resigned 25 November 2022
From 27 April 2023

Chair of Finance & General Purposes Committee

Mr Paul Tajasque

Chair of Grants Committee

Mrs Elizabeth Kennedy

Mr Andrew Button-Stephens

Resigned 15 November 2022

Mr David Easson

Mrs Lindy Fozard

Appointed 14 December 2022

Mrs Jessica Harris

Appointed 14 December 2022

Mr Dennis Pillay

Resigned 25 August 2022

Mrs Kellie Scott

Mrs Laura Yates

Appointed 9 February 2023

Chief Executive & Company Secretary

Mrs Jackie Lodge

Until 19 March 2023

Mr Rob Mills

From 20 March 2023

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

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.

Foreward

Sarah Tomkins
Chair of Trustees



When I took over as Chair of the Board of Trustees in April 2022, I could not have imagined the challenges that lay ahead. With the pandemic moving into the rear-view mirror, none of us were prepared for the severity of the cost-of-living crisis

that has impacted all our lives over the past year. I have been blown away by, and am already incredibly proud of, our dedicated team who continue to rise to the challenges that our community faces.

Walton Charity, as ever, has responded to the changing needs of our local community, stepping up support where needed. Working closely with our community, we increased funding for local partners to enable them to support local people and families most in need. We welcomed the Walton & Hersham Foodbank into the Walton Charity family and together, launched The Bridge – a new community space offering practical support for Elmbridge families struggling with the rising cost of living.

While responding to the increasing pressure of rising living costs on local families, we also made good progress against the objectives in our five-year plan. We are well on our way to acquiring new housing in the borough to provide affordable homes for local key workers, and we have explored the causes and consequences of poverty and low income in Elmbridge in our newly published report *Under the Radar*. Our allotments continue to be ever popular, thanks in no small part to the great work of the Walton Allotment Association.

My personal thanks go to the trustees who have left during the year. Dennis Pillay and Andy Button-Stephens (both of whom left due to work pressures), and Rob Mills who stood down so that he could apply for the staff position of CEO. Nick Stuart leaves us after nine years (the maximum term for trustees), and the Charity is very grateful for his years of service. We extend a warm welcome to our new trustees who have come onboard over the past year – Lindy Fozard, Jessica Harris and Laura Yates.

This year of change also saw the departure of our long-standing CEO, Jackie Lodge, who led the charity for 15 years. Jackie oversaw the transformation of Walton Charity into a strong, independent local charity committed to tackling poverty and need in our community. We are delighted Rob Mills joined us as CEO in March 2023, to continue this work. He has a background in the social housing sector, having worked for a number of housing associations in Surrey and the South East, and originally started his career with Elmbridge Borough Council.

Looking ahead, as a board and senior leadership team, we are focusing on how we respond to the issues raised in the *Under the Radar* report. We are in a strong position with the resources, skilled staff and board members, and the passion to rise to the challenge.

My thanks to all those who worked for us and with us over the past year to make our community a better place for everyone. I hope that you find this annual report an interesting read that highlights the wonderful work being done by and with our Charity as part of our enduring commitment to tackle issues of poverty and inequality, homelessness and isolation across Elmbridge.

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.

On 12 September 2019, the Charity was incorporated, 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).

In 2022, there was a change of charitable governance to the franchise for Walton & Hersham Foodbank, where the trustees of Walton Charity assumed responsibility of the franchise from St Peter's Church, The Parochial Church Council of the Ecclesiastical Parish of Hersham, (registered charity number 1131361).

The Charity's 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).

Building a thriving Elbridge community

Walton Charity is a local charitable foundation that strives to understand the needs of those living in Elbridge. We use our assets (people, land, property, and funds) to tackle issues of poverty, health, loneliness, housing, and educational attainment in our local area.

Our vision

An Elbridge community where everyone has the opportunity and support to live a rewarding life, free from poverty and inequality.

Our mission

We understand and raise awareness of the impacts of poverty and inequality. 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 our borough.

Our values

- Forward-thinking
- Bold
- Influential
- Independent
- Open minded

We focus on five priority areas

- **Poverty** – Alleviating financial poverty and hardship
- **Health** – Promoting personal health and wellbeing
- **Loneliness** – Addressing isolation and loneliness
- **Housing** – Promoting affordable housing for all ages
- **Education** – Improving educational attainment

- 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. Staff salaries are reviewed annually taking into consideration inflationary and market

rates. The Board of Trustees agree 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 six 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.

ELMBRIDGE



Our strategic priorities

The trustees agreed a new five-year plan, which sets out a clear direction for the Charity. From 2022-2027, the following strategic priorities will drive our work across our five focus areas.



Raising awareness of and engaging our community in the local issues of inequality and poverty



Working with our partners to reduce the causes and symptoms of child poverty in Elmbridge



Enabling more local people to live in decent homes they can afford



Using the Charity's property, land, and estates to create greater social value for local people and communities



Always acting with integrity as an employer and a charity, being honest partners and responsible stewards of the Charity's assets

Our full five-year strategy can be found at www.waltoncharity.org.uk/publications

Achievements & performance in 2022-23

£735K was committed in grants and other funding across our five priority areas: poverty, health, loneliness, health, housing, and education

75% of grants to our community partners were dedicated to **supporting local children and families**

Walton & Hersham Foodbank formally joined Walton Charity in 2022 and together, we distributed **1,478** food parcels to **4,323 local people** including **2,098 children**

143 people were housed in our independent living and social housing properties

439 local people used our **community green spaces** for exercise, socialising and to grow fruit and vegetables

13 local organisations benefitted from space in **Charities House and our other community properties**



“Walton Charity is a professional, friendly, engaged and effective funder. We are lucky to have the Charity within our borough.”

Clockwise from top left: Community Allotment jubilee project; Mencap sensory garden; Walton Charity independent living; Walton & Hersham Foodbank; Walton Charity's Great Elmbridge Book Hunt; Thames Ditton Cafe

Alleviating financial poverty & hardship

In 2022-23, we awarded over £273K of the total community grants to organisations across Elmbridge supporting local people and families facing financial hardship. This funding helped to deliver debt advice, provide weekly meal boxes and home-cooked meals to local families, and run community hubs and cafes across Elmbridge.

We also awarded 12 delegated funds to local partners who are working directly with children and families on low incomes, or those who are homeless or in vulnerable housing. These grants helped to cover everyday essentials such as food, clothing, school uniforms and utility bills.

We are delighted to strengthen our partnership with Walton Charity which will allow us to work with more local schools and support more Elmbridge families at risk of food insecurity.

Nick Dawson, BRITE Box Project Lead

In line with our strategic priority to address child poverty in our area, 75% of grants to our community partners supported children, young people and families across Elmbridge.

75% of children in poverty in Elmbridge are in working families. Many parents in our area are finding their wages no longer cover basic costs.

We recognise that Elmbridge is an expensive place to live, with essentials like housing and childcare costing more than in many other parts of the county. As living costs continue to rise, more and more local families are struggling to make ends meet.

In response to the high cost of childcare in Elmbridge, we are working with a local organisation to repurpose one of our community buildings in

Hersham, enabling them to offer affordable childcare for local families.

Working with Stripey Stork, we funded 593 Christmas presents for local children through our Santa Stork Christmas appeal.

Foodbank & The Bridge

Building on our long history of tackling food poverty in our local area, we joined forces with the Walton & Hersham Foodbank and together, distributed 1,478 food parcels, feeding 2,225 adults and 2,098 children. We opened a new distribution centre at St Andrew's Church in Walton, and a new storage unit at our Fenner House property to store and sort food donated by the community.

This is a wonderful service. We are very grateful for it as we face a challenging month of reduced pay.

Foodbank client



We also opened the doors of our new community space, The Bridge, which offers practical support for families in Elmbridge who are struggling with the rising cost of living, particularly those who have limited support available to them.

Promoting personal health & wellbeing

We want everyone in Elmbridge to have the same opportunity to live an independent, healthy life. We fund local projects that support people's physical and mental health, and make our green spaces available for local people and community groups to enjoy.

Last year, 405 local people used our allotments to grow fruit and vegetables and for exercise. Working with plot-holders across all four allotment sites, we established the Walton Allotment Association, giving tenants the power to make decisions about how the allotments are run. The turnaround of uncultivated plots has improved, and the allotments are more popular than ever.

I love that I have a space I can relax amongst nature and wildlife, away from hustle and bustle. It's a place I can go to nurture, learn and grow things of taste and beauty.

Plot holder, Rydens Road Allotment

The newly established Tree Canopy Project, at our Home Farm Allotment site, offers forest school sessions for local children, wellbeing workshops for adults, and a base for the Elmbridge Tree Warden scheme. There is also space for local charities to run therapeutic gardening activities.



In 2022-23, we awarded more than £50K of the total community grants to support physical and mental health projects, including football sessions for young people and wellbeing activities for refugees living in Elmbridge..

Hardly a day goes by without the press mentioning the emotional wellbeing and mental health challenges facing children and young people today. Your award will certainly help the financial stability for our programme in the years ahead.

Nigel Goddard, The Eikon Charity



Above: Rewilding Forest School at Home Farm Allotment
Left: Community Allotment Project

Addressing isolation & loneliness

We support projects that encourage social interaction and help people to feel more connected to their community.

In 2022-23, we awarded more than £10K of the total community grants to local organisations who are addressing social isolation in Elmbridge.

Walton Charity Community Allotment Jubilee celebrations and winning Hampton Court Garden Festival entry

Over the last year, 34 people joined our Community Allotment which runs weekly sessions for people who feel isolated due to physical or mental health conditions. In July 2022, our Green Spaces team, along with volunteers from the Community Allotment, won first prize in the Community Allotment category at Hampton Court Garden Festival.



Promoting affordable housing for all ages

Elmbridge has some of the highest living costs in the country. Average house prices have risen to almost 14 times average earnings, and rents are almost double that of the national average. For people on low or unstable incomes, owning a decent home in the area is all but unaffordable.

The average house price here is so high. People think 'Oh, if you pay £1,000 a month for rent that's affordable', but no, not for me
Kelly, working parent

In 2022-23, we housed 110 people in our independent living schemes and 33 in our social housing properties. 88% of residents said they feel safe and secure in our housing.

The best bit about living here is the warmth and social life. You are never really on your own.

Independent living resident

As part of our five-year strategy, and in response to the demand for affordable housing in the borough, we are looking to acquire new residential properties to offer affordable rent for local key workers. These properties will provide 19 bedrooms across 10 flats, which we hope to complete by the end of the next financial year.

Working with Elmbridge Council, we are also looking at opportunities to purchase properties as part the Local Authority Housing Fund, to support the Afghan and Ukrainian resettlement programme.



Improving educational attainment

Education is one of the best routes out of poverty but often children who grow up in low-income families face extra challenges reaching their potential at school.

Through our Community Grants and Opportunities Funds we support learning programmes, IT equipment and mental health support in local schools. We also help families with the cost of school uniforms and shoes, school trips and extra-curricular activities.

We are finding increasingly the families who are struggling the most are those that are working, but their income doesn't cover the increase in prices and mortgage rates and there is limited support for them. We are receiving more requests for support with school uniform, shoes and food.

Local Home School Link Worker

Last year, we awarded £81K in Opportunities Funds and £47K of the total community grants to 20 schools across Elmbridge.

Walton Charity makes a significant difference to our school community and the lives of the children. Without their generosity we would struggle to provide additional support for our children.

Local Head Teacher



Below: Delight Children's Theatre; **above:** Home-Start Parenting Café



Working in partnership

Enabling and facilitating

Walton Charity is one of the oldest charities in the country, with over 800 years' experience of meeting the evolving needs of our community. Our role is to facilitate and enable high-impact initiatives by providing our partner organisations with grants, facilities and resources.

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. By providing high-quality offices and meeting rooms, organisations can focus on delivering services for local people. 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
- Northwest Surrey Samaritans
- Rentstart
- Walsingham Care

Community buildings

Walton Charity also provides building and outdoor space for local partners at non-commercial rents.



Policy and communication

Through our policy and communications work we seek to raise awareness of, and engage our community in, the big issues facing local people.

The Elmbridge Poverty Profile, published on our website, includes a summary of available data on poverty, work, welfare and housing in our local area.

Your Elmbridge Poverty Profile is very useful and interesting. It really helps to tell the story of the area in which we are working.

In summer 2022, we ran The Great Elmbridge Book Hunt, giving primary school-age children the opportunity to win one of 100 books hidden around the borough. Each book focused on one of our five priority areas: poverty, housing, health, loneliness and education, helping to raise awareness of the big issues facing our community.

We absolutely loved the book hunt this week, it was a brilliant idea!



In 2022, we also commissioned the New Economics Foundation to look at the changing picture of poverty and low income in Elmbridge post-pandemic. The resulting *Under the Radar* report includes both quantitative data and feedback from residents which we are using to shape our grants strategy and organisational objectives.

The report highlights the high cost of housing and childcare compared to other areas of the country. It also shows a worrying rise in child poverty and

in-work poverty among local families, and in particular, the challenges faced by single parents bringing up children in the borough.

The full report is available on our website www.waltoncharity.org.uk/undertheradar

The report launch was attended by over 50 local partners and decision makers. We were invited to present the findings to Elmbridge Borough Councillors, the Lord Lieutenant of Surrey, and a network of Surrey funders. We also met with our local MP to discuss the report.

The events I have attended at Walton Charity, and the material shared by Walton Charity when they have been invited to speak at other events, has influenced our planning and our knowledge around local needs.

Local partner

A survey of 500 Elmbridge residents told us more about the issues local people are most concerned about; these include affordable housing and food

poverty. The survey also told us that more people are aware of Walton Charity and the support we offer, and more residents now know we work across Elmbridge. We have improved our profile and reach through our website and social media, and increased followers and engagement across all our channels.

Live Local, Work Local, Give Local

Walton Charity provides businesses and corporate partners with meaningful opportunities to support our local community. With our expert understanding of local needs, and a diverse range of charity partners, we help to match companies with suitable charitable projects.

We match-fund donations made by companies (and through our fundraising appeals) and work with companies to find fulfilling volunteering opportunities for their employees.

In 2022-23, local companies gave more than 700 hours of volunteer time, as well as supporting our fundraising activities and appeals. In total we raised £155K in donations and fundraising.

We are registered with the Fundraising Regulator.



Corporate volunteering at the Tree Canopy Project

Community Grants awarded

Over the last year, we have awarded **over £380K** in Community Grants to the following organisations. We continue to publish details of our grants on 360 Giving and are committed to open grant-making as an IVAR Flexible Funder.

Ashley Church of England Primary School
Central Surrey Voluntary Action
Citizens Advice Elmbridge West
Citizens Advice Esher & District
Claygate Youth and Community Hub
Cobham Football Club
Elmbridge Borough Council
Elmbridge CAN
Elmbridge Mencap
Families Thriving Together
Home Start Elmbridge
Lower Green Community Centre
Relate
St Peter's Church West Molesey
Stripey Stork
Surrey Lifelong Learning Partnership
The Counselling Partnership
The Eikon Charity
The Lucy Rayner Foundation
The Wellbeing Supervisor
Voices of Hope
Voluntary Support North Surrey
Walton & Hersham Foodbank
WISE



Clockwise from top right: Bright Box; Cook4Care; Home-Start Parenting Café; thank you letter from school pupil

I am writing to say thank you for working in a charity and helping people in need. Just so you know, people in need, and every one else, really appreciate what you are doing. We have been thinking about how helpful and grateful everyone is, and one more time **THANK YOU!**

♥ YOU ROCK ♥

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 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

The full board of trustees met six times during the year to review performance against targets, as well as one strategic planning meeting. The board continues to operate committees to monitor and review two key areas, namely finance and general

purposes, and grants. The trustees establish more informal time-limited working groups to address specific areas of development.

Each year, the trustees review and update a board development action plan. As part of this, trustees have established a 'Decision Log' which enables the board to review its decision making, assess the consequences of the decision, and learn any lessons for future decision making.

Trustees have an agreed statement on diversity, equity and inclusion (DEI), and periodically review the related action plan.

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 developed and agreed an ethical positioning statement covering environmental, social and governance issues in the previous year. Key elements of this have been incorporated into the five-year plan.

As part of this, the trustees confirm their commitment to the Fundraising Regulators Code of Fundraising Practice. Funds were raised through grant applications to trust funds and local government, corporate donors and two public appeals which were run through social media. Fundraising is undertaken by existing staff as part of their wider roles. No complaints were received relating to the Charity's fundraising activities.

The total of donations, fundraising and grant income for the year is £354K, highlighting increased support from businesses, the community and through our campaigns.

Financial review

The Charity's main sources of income are weekly maintenance contributions from the almshouses, other rents, and distributions from investments.

There was an operating loss of income over expenditure from charitable activities of **£64K**.

Depreciation costs were **£398K**, and there were losses on investments of **£1,601K**.

Due mainly to the significant loss on investments, the total deficit for the year was **£1,537K**.

Finance policy for strategy, investments and reserves

Trustees developed and agreed a new policy to encompass its financial policy for strategy, investments and reserves. To meet the objectives of the five-year plan, the trustees will regularly review its financial strategy to enable the Charity to fund these aspirations, while retaining the Charity's long-term values and guarding against stock market variations. The five-year financial forecasts will be reviewed by trustees on an annual basis.

'Intergenerational equity' is a challenging concept, effectively meaning that trustees aim to safeguard the real value of the investments for an indefinite number of generations. Trustees will aim to minimise the risk of eroding their assets over the long term.

Investment policy and performance

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

During fiscal year 2021, trustees adopted a total return approach to crystallise the permanent endowment investment at £17,199K.

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

Objective – balanced return between income and capital – total return

Risk – medium (equivalent to Cazenove RMAF risk of medium-high)

Mandate – socially responsible investing.

Funds are invested in Cazenove Capital's Charity Responsible Multi-Asset Fund (RMAF). The RMAF is an ethical, pooled and total return fund, and the Charity has two accounts reflecting the permanent endowment and the non-permanent endowment funds. The RMAF is invested to achieve a balance of dividends and capital growth which is fully diversified. Trustees can draw down up to 4% annually without eroding the growth of the fund, which is made up of dividends and capital. The RMAF allows this steady growth of the fund and achieves a sustainable cash distribution that can be determined by the trustees (between 0-4%) to meet budgeted expenditure requirements.

Draw down of distributions

Based on the cash flow forecast, trustees will determine the required level of distributions from the two RMAF accounts. Trustees will draw down the maximum 4% from the expendable RMAF account. Any additional requirements will be drawn down from the unapplied total return part of the non-expendable endowment RMAF fund. This should mean that the non-expendable fund can appreciate at a higher rate.

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 annually. Regardless of performance, the Charity will adopt the policy of undertaking a full formal review of our fund manager every five years.

The allocation of Charity investments in the two RMAF accounts consists of the following:

1. Nonexpendable endowment fund containing:

The permanent endowment of **£19,094K** as at 31 March 2023, and the unapplied total return balance which varies according to market value of the fund.

2. Expendable fund containing:

Non-permanent endowment investment and the restricted funds for the repair and improvement of the property, which is fully spent this financial year.

Trustees agreed to review the value of the permanent endowment fund on an annual basis to decide whether to increase the value of the fund. The increase will normally be in line with the Consumer Price Index (CPI), but trustees may decide to increase the fund at a different rate.

Trustees agreed uplifts to the permanent endowment as follows:

- Considering CPI for September 2022 (10.1%) Trustees agreed to increase the permanent endowment by 3.5% (£646K) to £19,094K

The charity's total permanent endowment funds at 31 March 2023, are therefore £25,280K

- | | |
|--------------------------|----------|
| • Fixed Assets | £4,468K |
| • Permanent Endowment | £19,094K |
| • Unapplied total return | £1,718K |

Reserves policy and designation of funds

The Charity must consider the financial risks of managing residential services and its portfolio of land and properties. The trustees have reviewed its financial commitments as well as future areas of major potential expenditure.

Reserves policy

Trustees have agreed a target for unrestricted reserves of 12 months' running costs, currently in the region of £3.1m.

Designation of funds

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:

- £5m for future property acquisition
- £1m for future grants/community projects
- £800K for property repairs (to replace the diminished restricted repair fund).

The level of reserves and designated funds is to be kept under review throughout the year but will be reviewed each year by the Finance and General Purposes Committee.

Investment funds include the total unapplied return which is part of the endowment of the Charity and is held as investments to generate funds to support the work of the Charity.

Financial controls

The Charity has tight financial controls. Trustees review the accounting procedures annually, including delegated authorities and authorised parties, to ensure the financial controls are up to date and fit for purpose.

Risk management

The Charity assesses, monitors, and seeks to manage its risks under the four broad headings of:

- Governance risks
- Operational risks
- Financial risks
- External risks.

The trustees review the risks faced by the Charity on a regular basis and in line with the strategic plans. Trustees agreed to weight the impact of risks against the likelihood of risks. Trustees also agreed to review risks over time to assess increasing risks and the impact of mitigation and management of identified risks. There are no risks assessed as being 'very high'.

Trustees identified a new risk (economic uncertainty) during the year as the cost-of-living crisis developed, and is rated as a high risk for the Charity.

Economic uncertainty – high inflation and the cost-of-living crisis, coupled with global instability, could impact negatively in several ways. Increased demand for services, higher costs of material and labour, lack of certainty, and more.

One risk remains high, as summarised below.

Disaster or emergency – remains high due to impact weighting. Ongoing work to improve business continuity.

Three risks have increased from 'medium' to 'high' risk as summarised below.

Investment returns – increased due to volatility of stock market and possible recession.

Climate change – increased due to need to switch to alternative power sources, and over reliance on

fossil fuels and significant increases to cost of utilities.

Loss of key staff/personnel – high inflation coupled with very low unemployment may impact negatively on staff retention and recruitment. Impact of changeover of long-standing CEO.

Three risks that have been actively managed and reduced are summarised below.

Information technology/systems – Reduced from 'high' to 'medium' with stable IT support provision and implementation of grants management database. Trustees have moved to SharePoint and Microsoft Teams. New accounting software and approval systems have been introduced.

Demographic change leading to change in demand for core services – Demand for Mayfield and Fenner House has increased significantly in 2022, and remains very high. With the new service model and improved conditions of premises, it is less likely in the short to medium term that we will have concerns about voids.

Government policy – Rapid pace of change from the pandemic has ceased. Regular briefings help keep staff and trustees updated and now includes cost of living crisis.



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 to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Acknowledgements & thanks

The achievements of the Charity are only possible with the support of our board of trustees, volunteers, partners, companies, friends, colleagues, staff and supporters. THANK YOU!

We hugely appreciate such enduring support for our collective commitment to the local community.

Signed on behalf of the Board of Trustees,



Sarah Tomkins

Chair of Trustees

Date: 3.8.2023.

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 2023 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 2023 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 including:

- The Companies Act 2006;
- Charities Act 2011;
- Statement of Recommended Practice Accounting and Reporting by Charities 2015 [FRS102]
- 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.

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.

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.

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.

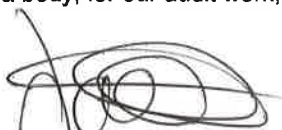
WALTON ON THAMES CHARITY

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

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.

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: 3 August 2023

WALTON ON THAMES CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Permanent Endowment funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income and endowments from:						
Donations and legacies	4	2	352	-	354	95
Charitable activities	5	1,320	-	-	1,320	1,226
Investments	6	319	-	870	1,189	836
Other income	7	3	162	-	165	2
Total income and endowments		1,644	514	870	3,028	2,159
Expenditure on:						
Raising funds	8	75	-	203	278	299
Charitable activities	9,10	2,013	371	302	2,686	2,319
Total expenditure		2,088	371	505	2,964	2,618
Net (expenditure)/income before net (losses)/gains on investments						
		(444)	143	365	64	(459)
Net (losses)/gains on investments		(428)	-	(1,173)	(1,601)	2,157
Net (expenditure)/income		(872)	143	(808)	(1,537)	1,698
Transfers between funds		761	(552)	(209)	-	-
Net movement in funds		(111)	(409)	(1,017)	(1,537)	1,698
Reconciliation of funds:						
Total funds brought forward		10,828	552	26,297	37,677	35,979
Net movement in funds		(111)	(409)	(1,017)	(1,537)	1,698
Total funds carried forward		10,717	143	25,280	36,140	37,677

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 28 to 46 form part of these financial statements.

WALTON ON THAMES CHARITY

REGISTERED NUMBER: 12202541

BALANCE SHEET AS AT 31 MARCH 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	14	8,219	8,007
Investments	15	28,320	30,163
		<u>36,539</u>	<u>38,170</u>
Current assets			
Stocks	16	28	-
Debtors	17	88	65
Cash at bank and in hand		74	45
		<u>190</u>	<u>110</u>
Creditors: amounts falling due within one year	18	(374)	(385)
Net current liabilities		<u>(184)</u>	<u>(275)</u>
Total assets less current liabilities		<u>36,355</u>	<u>37,895</u>
Creditors: amounts falling due after more than one year	19	(215)	(218)
Total net assets		<u><u>36,140</u></u>	<u><u>37,677</u></u>
Charity funds			
Permanent Endowment funds		25,280	26,297
Restricted funds		143	552
Unrestricted funds		10,717	10,828
Total funds		<u><u>36,140</u></u>	<u><u>37,677</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:



Sarah Tomkins
(Chair of Trustees)

Date: 3.8.2023



Alexandra Fitzpatrick
(Vice Chair of Trustees)

Date: 3.8.2023

The notes on pages 28 to 46 form part of these financial statements.

WALTON ON THAMES CHARITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

		2023 £000	2022 £000
Cash flows from operating activities	Note		
Net cash used in operating activities	23	(374)	(800)
Cash flows from investing activities			
Dividends, interests and rents from investments		1,152	590
Purchase of tangible fixed assets		(630)	(214)
Movement between cash and the investment portfolio		(87)	342
Lease interest paid		(22)	(22)
Loan interest paid		(9)	(9)
Net cash provided by investing activities		404	687
Cash flows from financing activities			
Repayments of borrowing		(1)	(1)
Net cash used in financing activities		(1)	(1)
Change in cash and cash equivalents in the year		29	(114)
Cash and cash equivalents at the beginning of the year		45	159
Cash and cash equivalents at the end of the year		74	45

The notes on pages 28 to 46 form part of these financial statements

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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 SORP (FRS 102) 2019 for those activities which are not explicitly referred to the 2014 Statement of Recommended Practice Accounting by Registered Social Housing Providers and 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 thousand.

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 2023

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 independent living is recognised to the extent that is probable that the economic benefit will flow to the charity and revenue can be reliably measured. Independent living 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 2023

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

The financial statements include all invoices and architects' certificates relating to capital expenditure incurred in the year at gross value before retention provided that the dates of issues 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 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

3.9 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.

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

3.12 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.

3.13 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.

3.14 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.

3.15 Fund accounting

Undesignated unrestricted 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 invested in a total return basis.

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 2023

4. Income from donations and legacies

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Donations	2	153	155	38
Grants	-	199	199	57
Total 2023	2	352	354	95
<i>Total 2022</i>	<i>-</i>	<i>95</i>	<i>95</i>	

5. Income from charitable activities

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Independent living maintenance contributions	1,105	1,105	1,001
Allotments & other rents	215	215	225
Total 2023	1,320	1,320	1,226
<i>Total 2022</i>	<i>1,226</i>	<i>1,226</i>	

6. Investment income

	Unrestricted funds 2023 £000	Endowment funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Investment dividends & interest	319	870	1,189	836
Total 2023	319	870	1,189	836
<i>Total 2022</i>	<i>836</i>	<i>-</i>	<i>836</i>	

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

7. Other incoming resources

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Other income	3	162	165	1
Income from disposal of fixed assets	-	-	-	1
Total 2023	3	162	165	2
<i>Total 2022</i>	<i>2</i>	<i>-</i>	<i>2</i>	

8. Expenditure on raising funds

Costs of raising income and capital growth

	Unrestricted funds 2023 £000	Endowment funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Investment management fees	75	203	278	299
Total 2023	75	203	278	299
<i>Total 2022</i>	<i>80</i>	<i>219</i>	<i>299</i>	

9. Analysis of grants

	Grants to Institutions 2023 £000	Grants to Individuals 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Local community grants	579	156	735	561
Total 2023	579	156	735	561
<i>Total 2022</i>	<i>516</i>	<i>45</i>	<i>561</i>	

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

9. Analysis of grants (continued)

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

	2023 £000	2022 £000
Name of activity:		
Schools opportunities funds	81	43
Delegated funds	52	67
Community grants	383	406
Foodbank grants	63	-
	579	516
	579	516

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Schools opportunities funds	81	-	81	43
Delegated funds	3	49	52	67
Community grants	369	14	383	406
Food bank grants	-	63	63	-
Total 2023	453	126	579	516
	453	126	579	516
<i>Total 2022</i>	421	95	516	
	421	95	516	

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Grant funding of activities 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Local community support	1,952	734	2,686	2,319
Total 2023	1,952	734	2,686	2,319
	1,952	734	2,686	2,319
<i>Total 2022</i>	1,758	561	2,319	
	1,758	561	2,319	

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Charitable activities 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Staff costs	723	723	620
Depreciation	398	398	414
Other residential expenses	14	14	12
Other staff costs	44	44	17
Rates	20	20	22
Heating & lighting	289	289	203
Printing, postage and stationery	4	4	5
Subscriptions, books & publications	7	7	4
Insurance	30	30	26
Motor and travel expenses	2	2	2
Computer expenses	29	29	57
Telephone	6	6	14
Cleaning	33	33	38
Repairs & maintenance	235	235	225
Legal and professional fees	50	50	36
Auditor's remuneration & accountancy	22	22	13
Sundry expenses	15	15	2
Loan interest payable	9	9	9
Bad debts	-	-	17
Lease interest payable	22	22	22
Total 2023	1,952	1,952	1,758
<i>Total 2022</i>	<i>1,758</i>	<i>1,758</i>	

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

11. Auditors' remuneration

	2023 £000	2022 £000
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	22	10
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	6	6
	<u>28</u>	<u>16</u>

12. Staff costs

	2023 £000	2022 £000
Wages and salaries	627	533
Social security costs	51	44
Contribution to defined contribution pension schemes	45	43
	<u>723</u>	<u>620</u>

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

	2023 No.	2022 No.
Average employees	25	24
	<u>25</u>	<u>24</u>

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

	2023 No.	2022 No.
Average full time employees	18	17
	<u>18</u>	<u>17</u>

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

	2023 No.	2022 No.
In the band £70,001 - £80,000	1	1

Pension contribution in respect to that employee were £8.6K (2022: 8.5K).

During the year, four individuals made up key management personnel and received remuneration of £195k (2022 - £186k).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

14. Tangible fixed assets

	Freehold properties £000	Motor vehicles £000	Fixtures and fittings £000	Total £000
Cost or valuation				
At 1 April 2022	12,104	12	1,566	13,682
Additions	612	-	31	643
Disposals	-	-	(34)	(34)
At 31 March 2023	12,716	12	1,563	14,291
Depreciation				
At 1 April 2022	4,270	12	1,393	5,675
Charge for the year	365	-	32	397
At 31 March 2023	4,635	12	1,425	6,072
Net book value				
At 31 March 2023	8,081	-	138	8,219
At 31 March 2022	7,834	-	173	8,007

The tangible fixed assets are held in the following funds:

	Unrestricted funds 2023 £000	Permanent Endowment funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Freehold properties	3,731	4,350	8,081	7,834
Fixture and fittings	19	118	137	173
Total 2023	3,750	4,468	8,218	8,007
<i>Total 2022</i>	3,797	4,210	8,007	

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

15. Fixed asset investments

	Main Fund £000
Cost or valuation	
At 1 April 2022	30,163
Funds extracted	(1,152)
Other gains/losses	(691)
	<hr/>
At 31 March 2023	28,320
	<hr/> <hr/>
Net book value	
At 31 March 2023	28,320
	<hr/>
At 31 March 2022	30,163
	<hr/> <hr/>

The investments are held in the following funds:

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Permanent Endowment funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Main Fund	7,508	-	20,812	28,320	30,163
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total 2022	7,524	552	22,087	30,163	
	<hr/>	<hr/>	<hr/>	<hr/>	

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

16. Stocks

	2023 £000	2022 £000
Foodbank stock	28	-
	<hr/>	<hr/>

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

17. Debtors

	2023 £000	2022 £000
Due within one year		
Maintenance contributions receivable	42	38
Prepayments and accrued income	46	27
	<u>88</u>	<u>65</u>

18. Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	40	58
Other taxation and social security	25	12
Other creditors	12	6
Accruals and deferred income	118	92
Grants payable	179	217
	<u>374</u>	<u>385</u>

Deferred income

The deferred income relates to the commercial tenant rent as these are paid in advance and the movement is as follows:

	2023 £000	2022 £000
Deferred income brought forward	36	35
Amount released to income	(36)	(35)
Amount deferred during the year	63	36
	<u>63</u>	<u>36</u>

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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

	2023 £000	2022 £000
Mortgage loans	80	82
Deferred grants	47	51
Grants payable	88	85
	<u>215</u>	<u>218</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. Statement of funds

Designated Funds

Designated funds amounting to £6,800k have been set aside to ensure that the charity has sufficient reserves for its on-going grant, housing and income generation commitments as set out above.

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 there from is unrestricted, and can be used in accordance with the charitable objects. Permanent Endowment Funds are restricted capital funds invested in a total return basis.

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. A transfer has been made in the year ended 31 March 2023 from the restricted reserves to the unrestricted reserves, representing repairs expenditure initially incurred on unrestricted reserves.

During this financial year, the extraordinary repair fund has been exhausted.

In the year ended 31 March 2023, the Walton & Hershaw foodbank officially became part of Walton on Thames Charity and provides three days' nutritionally balanced emergency food and support to local people. The balance of funds received are held for future foodbank expenditure.

The permanent endowment funds consists of the following:

	2023 £000	2022 £000
Tangible fixed assets	4,468	4,210
Investments	19,094	18,448
Unapplied total return	1,718	3,639
	<u>25,280</u>	<u>26,297</u>

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Statement of funds (continue)

The total return on investment of permanent endowment have been disclosed as follows below:

	Permanent endowment £000	Unapplied total return £000	Total Endowment £000
At the beginning of the reporting period			
Permanent endowment	18,448	-	18,448
Unapplied total return	-	3,639	3,639
Total	18,448	3,639	22,087
Movement during the period			
CPI uplift for the year	646	(646)	-
Investment income	-	870	870
Net gain/(loss) on investment	-	(1,376)	(1,376)
Total	646	(1,152)	(506)
Unapplied total return to income in the year	-	(769)	(769)
Net movement in reporting period	646	(1,921)	(1,275)
At the end of reporting period			
Permanent endowment	19,094	-	19,094
Unapplied total return	-	1,718	1,718
Total	19,094	1,718	20,812

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Statement of funds - current year

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (Losses) £000	Balance at 31 March 2023 £000
Unrestricted funds						
Designated funds						
Property acquisition	3,000	-	-	2,000	-	5,000
Community projects	1,000	-	-	-	-	1,000
Property repairs	800	-	-	-	-	800
	<u>4,800</u>	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>6,800</u>
General funds						
Undesignated unrestricted fund	6,028	1,644	(2,088)	(1,239)	(428)	3,917
Total Unrestricted funds	<u>10,828</u>	<u>1,644</u>	<u>(2,088)</u>	<u>761</u>	<u>(428)</u>	<u>10,717</u>
Endowment funds						
Capital reserve	26,297	870	(505)	(209)	(1,173)	25,280
Restricted funds						
Extraordinary repair funds	552	-	-	(552)	-	-
Foodbank	-	385	(242)	-	-	143
Grants	-	129	(129)	-	-	-
	<u>552</u>	<u>514</u>	<u>(371)</u>	<u>(552)</u>	<u>-</u>	<u>143</u>
Total of funds	<u><u>37,677</u></u>	<u><u>3,028</u></u>	<u><u>(2,964)</u></u>	<u><u>-</u></u>	<u><u>(1,601)</u></u>	<u><u>36,140</u></u>

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 March 2022 £000</i>
Unrestricted funds						
Designated funds						
Property acquisition	-	-	-	3,000	-	3,000
Community projects	-	-	-	1,000	-	1,000
Property repairs	-	-	-	800	-	800
Grant commitments	500	-	-	(500)	-	-
Development of housing	2,500	-	-	(2,500)	-	-
Generating income for grant funding	7,500	-	-	(7,500)	-	-
	<u>10,500</u>	<u>-</u>	<u>-</u>	<u>(5,700)</u>	<u>-</u>	<u>4,800</u>
General funds						
Undesignated unrestricted fund	(129)	1,456	(2,017)	6,145	573	6,028
Total Unrestricted funds	<u>10,371</u>	<u>1,456</u>	<u>(2,017)</u>	<u>445</u>	<u>573</u>	<u>10,828</u>
Permanent Endowment						
Capital reserve	24,877	608	(506)	(266)	1,584	26,297
Restricted funds						
Extraordinary repair funds	731	-	-	(179)	-	552
Community grants	-	28	(28)	-	-	-
Grants	-	67	(67)	-	-	-
	<u>731</u>	<u>95</u>	<u>(95)</u>	<u>(179)</u>	<u>-</u>	<u>552</u>
Total of funds	<u><u>35,979</u></u>	<u><u>2,159</u></u>	<u><u>(2,618)</u></u>	<u><u>-</u></u>	<u><u>2,157</u></u>	<u><u>37,677</u></u>

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

21. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (Losses) £000	Balance at 31 March 2023 £000
Designated funds	4,800	-	-	2,000	-	6,800
Undesignated unrestricted funds	6,028	1,644	(2,088)	(1,239)	(428)	3,917
Endowment funds	26,297	870	(505)	(209)	(1,173)	25,280
Restricted funds	552	514	(371)	(552)	-	143
	<u>37,677</u>	<u>3,028</u>	<u>(2,964)</u>	<u>-</u>	<u>(1,601)</u>	<u>36,140</u>

Summary of funds - prior year

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (Losses) £000	Balance at 31 March 2022 £000
Designated funds	10,500	-	-	(5,700)	-	4,800
Undesignated unrestricted funds	(129)	1,456	(2,017)	6,145	573	6,028
Endowment funds	24,877	608	(506)	(266)	1,584	26,297
Restricted funds	731	95	(95)	(179)	-	552
	<u>35,979</u>	<u>2,159</u>	<u>(2,618)</u>	<u>-</u>	<u>2,157</u>	<u>37,677</u>

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Permanent Endowment funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	3,751	-	4,468	8,219
Fixed asset investments	7,508	-	20,812	28,320
Current assets	47	143	-	190
Creditors due within one year	(374)	-	-	(374)
Creditors due in more than one year	(215)	-	-	(215)
Total	<u>10,717</u>	<u>143</u>	<u>25,280</u>	<u>36,140</u>

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £000</i>	<i>Restricted funds 2022 £000</i>	<i>Permanent Endowment funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Tangible fixed assets	3,797	-	4,210	8,007
Fixed asset investments	7,524	552	22,087	30,163
Current assets	110	-	-	110
Creditors due within one year	(385)	-	-	(385)
Creditors due in more than one year	(218)	-	-	(218)
Total	10,828	552	26,297	37,677

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

	2023 £000	2022 £000
Net income/expenditure for the year (as per Statement of Financial Activities)	(1,537)	1,698
Adjustments for:		
Depreciation charges	397	414
(Gains)/losses on investments	1,951	(2,403)
Dividends, interests and rents from investments	(1,152)	(590)
Decrease/(increase) in stocks	(28)	-
Decrease/(increase) in debtors	(22)	7
Increase/(decrease) in creditors	(14)	43
Lease interest payable	22	22
Loan interest payable	9	9
Net cash used in operating activities	(374)	(800)

24. Analysis of cash and cash equivalents

	2023 £000	2022 £000
Cash in hand	74	45
Total cash and cash equivalents	74	45

WALTON ON THAMES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

25. Analysis of changes in net debt

	At 1 April 2022	Cash flows £000	At 31 March 2023 £000
Cash at bank and in hand	45	29	74
Debt due after 1 year	(81)	1	(80)
	<u>(36)</u>	<u>30</u>	<u>(6)</u>

26. Other Assets

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

- 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.
- 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 Hershams Road, known as "Mayfield" Hershams Road.
- 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.
- Charity of Henry Smith - the right to a yearly sum £7.4k (2022: £6.7k).
- The Trustees understand that the land, including that referred to above, in the ownership of the Charity at 31 March 2004 totals 130.12 acres or thereabouts.

27. Operating lease commitments

At 31 March 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £000	2022 £000
Not later than 1 year	35	22
Later than 1 year and not later than 5 years	23	41
	<u>58</u>	<u>63</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2023 £000	2022 £000
Operating lease rentals	<u>22</u>	<u>22</u>