



# ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended

31 March 2023

**The Wheatley Foundation Limited**

(Registered Company No. SC461602)

(Registered Charity No. SC046607)

## TRUSTEES' ANNUAL REPORT

The Directors present their annual report and the audited financial statements for the financial year ended 31 March 2023.

### Principal activities

The Wheatley Foundation Limited ("Wheatley Foundation", "the Foundation", or "the Charity") is a wholly owned subsidiary of the Wheatley Housing Group Limited ("Wheatley Group"). The Wheatley Housing Group Limited is a company limited by guarantee and registered in Scotland under the Companies Act (company registration number SC426094), having its registered office at Wheatley House, 25 Cochrane Street, Glasgow, G1 1HL. It is registered with the Scottish Housing Regulator as a registered social landlord (number 363).

The principal office of the Charity is Wheatley House, 25 Cochrane Street, Glasgow, G1 1HL.

The Directors serving during the year and since the year end are detailed on page 6.

The Wheatley Foundation's charitable aim is to support customers of Wheatley Group who are disadvantaged.

The charity uses donations from certain Wheatley Group subsidiaries and external funding to help our customers, many of them vulnerable, in five key areas of life: social exclusion and tackling poverty; employability; education; digital inclusion; and sports and art.

## STRATEGIC REPORT

Wheatley Foundation supported more than 23,000 people over the year, many of whom were facing real hardship.

We secured £1.7m in external funding during the year and in total the Foundation invested £6.5m in our programmes over 2022-23.

Many customers were still coping with the aftermath of the pandemic, from mental health challenges to job insecurity and associated financial difficulties. During the year we supported them in every way we could through the emerging cost of living, from the rising price of food to rising energy costs, as well as the continuing challenges brought on by Universal Credit.

The year saw the launch of our 'Here for You' campaign, which brought together the Group's extensive wraparound services under one recognisable banner and also involved signposting customers to help from partner organisations across our communities. More than 10,400 referrals were made to *Here for You* over the year, with customers receiving lifeline help with food, fuel and rent financial support.

Our welfare benefits advisors supported 7,386 people this year and helped them claim back more than £13m in benefits and tax credits they were entitled to.

*EatWell*, our emergency food service, helped 4,418 households this year by distributing 6,186 supermarket vouchers.

Our fuel advisors supported 4,574 customers save on their gas and electricity bills and helped customers access almost 10,000 vouchers worth more than £480k to help alleviate fuel poverty. We also helped more than 5,200 households to pay their rent.

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## STRATEGIC REPORT (continued)

Free books were provided every month to 627 children under five in our homes through our partnership with the *Dolly Parton Imagination Library*.

We also awarded 56 people from our homes a bursary to go to university or college and created 802 opportunities for customers to get into work or training.

Our commitment to doing all we can for communities was brought into sharp focus this year as the people we work for faced ever-increasing challenges.

We will continue 'Thinking Yes' together with teams across Wheatley to support our customers when they need us most.

### Customer comments

Customers told us of the positive impact our programmes have had on their lives this year. Lyndsay Calderwood, from Stranraer, signed son Alfie up to the *Dolly Parton Imagination Library* initiative. She said: "It's great to have access to this scheme and to get a new story delivered every month."

Wheatley Homes East tenant Shona Elliot, who got help through *Here for You*, said: "It gave us peace of mind to know we could heat our home, had food in the cupboard and, most of all, that our daughter had a warm winter jacket for school."

Wheatley Homes Glasgow customer Richard McLaughlin also got support from *Here for You*. He said: "I got a couple of fuel vouchers when things were really tight. To get that extra help until I get back on my feet is great."

David Evans, from Milton, Glasgow, landed a full-time job after a placement on the Foundation's *Trades Taster* course and. He said: "The course was really important in getting me mentally ready for work. I've now got a lot more belief in myself."

Steven, from Edinburgh, took part in the *Changing Lives* programme and said: "I'm now working full time and I've settled in really well. I like being out and about and the work is rewarding."

Wheatley Homes Glasgow tenant Michael Gowran received an education bursary. He said: "The bursary covered all my travel costs and books for the year and meant I didn't have to work while attending university full time."

One tenant from Glasgow who got support from *Starter Packs* said: "It was a great help getting household items I didn't have. Thank you very much for the assistance."

Another tenant who got support from *Home Comforts* added: "I really appreciate the help I received. The staff were really nice, and I'm gobsmacked at the quality."

### Poverty and social inclusion

This year, we supported more than 23,000 people facing hardship or financial difficulty through our Poverty and Social Inclusion programmes.

More than 10,400 referrals were made to *Here for You* over the year, with customers receiving lifeline help with food, fuel and rent financial support. *Here for You* supported more than 5,200 households to pay their rent this year.

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## STRATEGIC REPORT (continued)

Our Welfare Benefits Advisors help customers claim all the welfare benefits and tax credits they are due. They helped 7,386 people claim back more than £13m they were entitled to over the year. Our Fuel Advice service can help customers with their gas and electricity bills. Our fuel advisors helped 4,574 customers save more than £400k on their bills over the year. They also helped customers access almost 10,000 vouchers worth more than £480k to help alleviate fuel poverty.

Our *EatWell* initiative remained a vital support to customers in food crisis. *EatWell* supported 4,418 households this year, delivering 6,186 supermarket vouchers, helping people affected by health issues, financial hardship, and reduced income.

*My Great Start* supported 1,125 new Wheatley tenants with money and budgeting advice and helped existing tenants navigate benefits claims this year.

*Home Comforts*, which delivers free upcycled furniture, electrical appliances, and white goods, supported 809 households. Our *Starter Packs* project helped 851 tenants over the year with essential household items such as pots and pans, toiletries, cutlery, and bedding when moving into their home.

### Employability

Despite the challenges posed by the growing economic crisis, *Wheatley Works* secured 802 jobs, training and apprenticeship opportunities for people living in our homes and communities this year.

Over the year, 108 people took part in our four-week employability programme *Environmental Roots*, and 67 trainees started our one-year environmental-based work placement *Changing Lives*.

The community benefit clauses in Wheatley Group's new-build and investment programmes created 63 jobs and training opportunities this year, including 34 work placements, 11 apprenticeships and 18 jobs. A total of 27 young people started a modern apprenticeship with Wheatley this year, while our partners City Building took on 64 trade apprentices.

### Digital inclusion

We continued to help people get online and access the internet. The John Wheatley Learning Network – our network of free computer learning centres – provided drop-in support and internet access to 2,905 people in our communities. More than 400 young people took part in youth access courses through the network, in subjects including science, technology, engineering, maths and music.

### Education

We supported 56 Wheatley customers to attend university or college through a Foundation Bursary this year, with recipients going on to study subjects including Law, Social Sciences and Performance. Over the year, 627 children in Wheatley communities were registered with the *Dolly Parton Imagination Library* and received a free monthly book.

### Children and young people

We helped 5,255 children and young people take part in Foundation activities over the year.

We delivered 'wonderbox' educational activity packs to 3,263 children in our communities through the Curiosity Collective, formerly known as the Children's University Scotland, this year.

**STRATEGIC REPORT (continued)**

The Foundation supported almost 200 young people in the east end of Glasgow to take part in *StreetWyz*e workshops on the impact of gang culture and knife crime. We also helped 795 young people in Edinburgh and the Lothians take part in diversionary activities through Youth Projects East.

**Plans for the future**

The Foundation will continue to build on its strong track record and aim to diversify the funding base as much as possible. This includes working alongside our strategic partners in the Scottish Government, local authorities, and independent charities and trusts, to deliver our shared goals of supporting vulnerable people, increasing opportunities and alleviating the impacts of poverty.

Future plans include developing our approach to food security, extending Wheatley Works and our training programmes, continuing to enhance customer engagement, and developing a new 'Greener Communities' programme to improve sustainability across our neighbourhoods.

## DIRECTORS' REPORT

### Financial Overview

Total income for the year was £11,786k by way of grants claimed for charitable activities and from donations and gift aid payments made by subsidiaries within the Wheatley Group (2022: £5,320k). The increase in income from 2022 is as a result of additional donations made to the charity from Wheatley Group RSLs to create our 'Here For You' Fund to provide support to our customers to help alleviate hardship experienced by so many.

The charity invested a total of £6,566k during the year across a wide range of projects (2022: £4,879k).

The Wheatley Foundation has funds carried forward of £7,188k as at 31 March 2023 which will be utilised to meet its charitable aims in future years (2022: £1,998k).

### Principal funding sources

The charity's principle funding sources are from other Wheatley Group subsidiaries and grant awards from local authorities and the Scottish Government.

### Directors

The Directors of the Charity who were in office during the financial year and up to the date of the financial statements were:

|                   |                             |
|-------------------|-----------------------------|
| Patrick Gray      |                             |
| Helen Howden      |                             |
| John McCraw       |                             |
| Jean Fyfe         | - resigned 3 May 2022       |
| Catherine McGrath | - appointed 17 October 2022 |
| Ruth Kynoch       | - appointed 24 October 2022 |
| Adeola Paterson   | - appointed 24 October 2022 |

### Independent auditor

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG as auditor is to be proposed.

### Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditor is unaware; and each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

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## **DIRECTORS' REPORT (continued)**

### **Basis of preparation**

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and 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.

### **Governance**

The governing body of the charity is known as the Board and has spaces for up to seven directors. It meets four to six times a year. The charity is governed by an Articles of Association under the Companies Act.

### **Management**

The Directors have delegated day to day management of Wheatley Foundation to Lynne Mitchell, Director of Wheatley Foundation.

### **Methods to appoint & recruit new charity directors**

The Wheatley Group has sole responsibility for appointing and recruiting new charity directors. The proposal to appoint new directors requires two board members to provide signed approval as outlined in the Articles of Association.

### **Reserves policy**

Decisions on whether to make a financial commitment to support Wheatley Foundation projects are made by formal sign off by Directors at Wheatley Foundation board meetings. As part of the approval process Directors only approve new projects that can be met from existing reserves.

### **Principal risks facing the Charity**

One of the key considerations for the Wheatley Foundation is to manage cashflow so that it does not find itself with a cash shortfall. This risk is mitigated through regular financial monitoring being provided to the Wheatley Foundation Board so that the Board are made aware of available cash that can be committed before any decision is taken on whether to approve a new initiative that is looking to secure funding.

The competitive nature of the external funding environment could mean that the Foundation finds it difficult in securing money from external sources although this risk is mitigated by on-going dialogue with key partners so that the Board is aware of funding sources that the Charity can apply for funding from.

Selecting and delivering projects which deliver maximum benefit to communities across the Group is one of the main considerations for the Foundation. The formal approvals process put in place should help to ensure that the Foundation Board direct funding to achieve the maximum impact across our communities.

**DIRECTORS' REPORT (continued)****STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS****Statement of Trustees' responsibilities in respect of the Trustees' Annual Report and the financial statements**

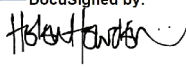
The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

DocuSigned by:  
  
87CC4930FAE346E...

Helen Howden  
Director  
21 September 2023

Wheatley House  
25 Cochrane Street  
Glasgow, G1 1HL



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## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE WHEATLEY FOUNDATION LIMITED

### Opinion

We have audited the financial statements of the Wheatley Foundation Limited ("the charitable company") for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Cash Flow Statement, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the charitable company's affairs as at 31 March 2023 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### Basis for opinion

We have been appointed as auditor under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the charitable company or to cease their operations, and as they have concluded that the group and the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group or the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the group or the charitable company will continue in operation.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS  
OF THE WHEATLEY FOUNDATION LIMITED (continued)****Fraud and breaches of laws and regulations – ability to detect***Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of board members and management as to the charitable company's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual suspected or alleged fraud; and
- Reading Board minutes.

As required by auditing standards, taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that entity management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to income recognition because of the limited opportunity and incentive for fraudulent revenue recognition and the limited judgement in respect of revenue recognition.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of some of the charitable company's wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These include those posted to unusual accounts.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias including assessing the assumptions used in pension valuations.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discuss with the board and other management (as required by auditing standards), and discussed with the board and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and charities legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statements items.

Whilst the charitable company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance allow could have a material effect on amounts or disclosures in the financial statements.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatements. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS  
OF THE WHEATLEY FOUNDATION LIMITED (continued)****Other information**

The trustees are responsible for the other information, which comprises the Trustees' Annual Report, the Strategic Report and the Director's Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- the charitable company has not kept adequate and proper accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

**Trustees' responsibilities**

As explained more fully in their statement set out on page 8, 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and 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 they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE WHEATLEY FOUNDATION LIMITED (continued)**

### **The purpose of our audit work and to whom we owe our responsibilities**

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, and to the charitable company's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members as a body and its trustees, as a body, for our audit work, for this report or for the opinions we have formed.



**Michael Wilkie** (Senior Statutory Auditor)

**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

*KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006*

319 St. Vincent Street.

Glasgow,

G2 5AS

26 September 2023

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

|  | <i>Note</i> | Stats                       |                           | 2023           | 2022           |
|--|-------------|-----------------------------|---------------------------|----------------|----------------|
|  |             | Unrestricted funds<br>£'000 | Restricted funds<br>£'000 | Total<br>£'000 | Total<br>£'000 |
| <b>Incoming resources</b>  |             |                             |                           |                |                |
| Donations  | 3           | 10,435                      | -                         | 10,435         | 4,330          |
| Incoming resources from charitable activities                                | 4           | 770                         | 581                       | 1,351          | 990            |
| <b>Total incoming resources</b>  |             | <b>11,205</b>               | <b>581</b>                | <b>11,786</b>  | <b>5,320</b>   |
| <b>Resources expended</b>  |             |                             |                           |                |                |
| Charitable activities  | 5           | (5,985)                     | (581)                     | (6,566)        | (4,879)        |
| Governance costs   | 6           | (30)                        | -                         | (30)           | (15)           |
| <b>Total resources expended</b>  |             | <b>(6,015)</b>              | <b>(581)</b>              | <b>(6,596)</b> | <b>(4,894)</b> |
| <b>Net incoming resources before transfers and net income for the period</b> |             | <b>5,190</b>                | <b>-</b>                  | <b>5,190</b>   | <b>426</b>     |
| Gross transfers between funds  | 10,11       | -                           | -                         | -              | -              |
| <b>Net incoming resources for the period before other recognised gains</b>   |             | <b>5,190</b>                | <b>-</b>                  | <b>5,190</b>   | <b>426</b>     |
| <b>Net movement in funds</b>   |             | <b>5,190</b>                | <b>-</b>                  | <b>5,190</b>   | <b>426</b>     |
| <b>Fund balances brought forward at 1 April</b>                              |             | <b>1,988</b>                | <b>10</b>                 | <b>1,998</b>   | <b>1,572</b>   |
| <b>Fund balances carried forward at 31 March</b>                             | 10,11       | <b>7,178</b>                | <b>10</b>                 | <b>7,188</b>   | <b>1,998</b>   |

The Statement of Financial Activities includes all gains and losses in the year and there is no material difference between the incoming resources for the financial year stated above and their historical cost equivalents. All incoming resources and resources expended derive from continuing activities.

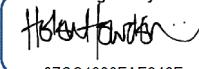
The notes on pages 16 to 24 form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023**

|   | <i>Note</i> | 2023<br>£'000       | 2022<br>£'000       |
|---|-------------|---------------------|---------------------|
| <b>Current assets</b>                                 |             |                     |                     |
| Debtors   | 7           | 350                 | 372                 |
| Cash and cash equivalents                             | 8           | 8,173               | 2,131               |
| <b>Total current assets</b>                           |             | <u>8,523</u>        | <u>2,503</u>        |
| <b>Creditors: amounts falling due within one year</b> | 9           | (1,335)             | (505)               |
| <b>Net current assets</b>                             |             | <u>7,188</u>        | <u>1,998</u>        |
| <b>Total assets less current liabilities</b>          |             | 7,188               | 1,998               |
| <b>Net assets</b>                                     |             | <u><u>7,188</u></u> | <u><u>1,998</u></u> |
| <b>The funds of the charity</b>                       |             |                     |                     |
| Unrestricted income funds                             | 10          | 7,178               | 1,988               |
| Restricted income funds                               | 10          | 10                  | 10                  |
| <b>Total charity funds</b>                            |             | <u><u>7,188</u></u> | <u><u>1,998</u></u> |

The financial statements were approved and authorised for issue by the directors on 15 August 2023 and signed on their behalf on 21 September 2023 by:

:

DocuSigned by:  
  
 87CC4930FAE346E...  
 Helen Howden

Trustee

The notes on pages 16 to 24 form part of these financial statements.

Company registration number SC461602.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

|   | <b>2023</b>  | <b>2022</b>  |
|---|--------------|--------------|
|   | <b>£'000</b> | <b>£'000</b> |
| <b>Reconciliation of operating surplus to net cash inflow from operating activities</b> |              |              |
| Net incoming resources  | 5,190        | 426          |
| Increase in debtors   | (112)        | (89)         |
| Increase / (decrease) in creditors  | 357          | (85)         |
| Decrease/ (increase) in amount due from Group Companies                                 | 134          | (86)         |
| Increase / (decrease) in amount due to Group Companies                                  | 473          | (114)        |
| <b>Net cash inflow from operating activities</b>  | <b>6,042</b> | <b>52</b>    |
| <br>  |              |              |
| <b>Increase in cash in the year</b>   | <b>6,042</b> | <b>52</b>    |
| <br>  |              |              |
| <b>Reconciliation of net cashflow to movement in net funds</b>                          |              |              |
| Increase in cash in the year  | 6,042        | 52           |
| <b>Net funds at 1 April</b>   | <b>2,131</b> | <b>2,079</b> |
| <b>Net funds at 31 March</b>  | <b>8,173</b> | <b>2,131</b> |

### Analysis of changes in net funds

|                          | <b>Opening balance</b> | <b>Cashflows</b> | <b>Closing balance</b> |
|--------------------------|------------------------|------------------|------------------------|
|                          | <b>£'000</b>           | <b>£'000</b>     | <b>£'000</b>           |
| Cash at bank and in hand | 2,131                  | 6,042            | 8,173                  |
| <br>                     |                        |                  |                        |
| <b>Net funds</b>         | <b>2,131</b>           | <b>6,042</b>     | <b>8,173</b>           |

The notes on pages 16 to 24 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****1. Accounting policies****Accounting convention**

The Wheatley Foundation Limited (“Wheatley Foundation”, “the Foundation”, or “the charity”) is a company limited by guarantee. The Foundation’s registered company number is SC461602 and registered charity number is SC046607. The registered office is at Wheatley House, 25 Cochrane Street, Glasgow, G1 1HL.

The principal accounting policies, which have been applied consistently throughout the year are set out below.

As the charity is a wholly owned subsidiary of the Wheatley Group it has taken advantage of the exemption contained in Financial Reporting Standard 102 and has therefore not disclosed transactions or balances with entities which form part of the group as related parties.

**Basis of preparation**

These financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the Companies Act 2006, Financial Reporting Standard 102 (FRS 102) and applicable accounting standards in the United Kingdom.

The financial statements have been prepared on a going concern basis which the Board considers to be appropriate for the following reasons.

The Group and charity prepares a business plan which is updated and approved on an annual basis. The charity’s most recent 5 year business plan was approved in February 2022 by the Board. The Group Board approved its 30 year business plan at their meeting also in February 2022. As well as considering the impact of a number of scenarios on the business plan the Group Board also adopted a stress testing framework against the base plan which included updated scenarios in recognition of the ongoing Covid-19 pandemic including severe but plausible downsides. The stress testing impacts were measured against available cash levels with potential mitigating actions identified to reduce expenditure.

The Board, after reviewing the charity budgets for 2022/23 and charity’s financial position as forecast in its business plan and being assured that the Group Board has undertaken a similar review, including changes arising from the Covid-19 pandemic and in recognition of the proportion of income derived from other Wheatley Group subsidiaries, is of the opinion that, taking account of severe but plausible downsides, the charity has adequate resources to continue to meet their liabilities over the period of 12 months from the date of approval of the financial statements (the going concern assessment period). In reaching this conclusion, the Group Board and the Board considered the following factors in their respective review of the Group and charity’s financial position:

- Rent and service charge receivable – arrears and bad debt assumptions have been increased to allow for customer difficulties in making payments and budget and business plan scenarios have been updated to take account of potential future changes in rent increases;
- The property market – budget and business plan scenarios have taken account of delays, remobilisation planning and reprofiled new build handovers;



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)****1. Accounting policies****Accounting convention**

The Wheatley Foundation Limited ("Wheatley Foundation", "the Foundation", or "the charity") is a company limited by guarantee. The Foundation's registered company number is SC461602 and registered charity number is SC046607. The registered office is at Wheatley House, 25 Cochrane Street, Glasgow, G1 1HL.

The principal accounting policies, which have been applied consistently throughout the year are set out below.

As the charity is a wholly owned subsidiary of the Wheatley Group it has taken advantage of the exemption contained in Financial Reporting Standard 102 and has therefore not disclosed transactions or balances with entities which form part of the group as related parties.

**Basis of preparation**

These financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the Companies Act 2006, Financial Reporting Standard 102 (FRS 102) and applicable accounting standards in the United Kingdom.

The financial statements have been prepared on a going concern basis which the Board considers to be appropriate for the following reasons.

The Group and charity prepares a business plan which is updated and approved on an annual basis. The charity's most recent 5 year business plan was approved in February 2023 by the Board. The Group Board approved its 30 year business plan at their meeting also in February 2023. As well as considering the impact of a number of scenarios on the business plan the Group Board also adopted a stress testing framework against the base plan. The stress testing impacts were measured against available cash levels with potential mitigating actions identified to reduce expenditure.

The Board, after reviewing the charity budgets for 2023/24 and charity's financial position as forecast in its business plan and being assured that the Group Board has undertaken a similar review, and in recognition of the proportion of income derived from other Wheatley Group subsidiaries, is of the opinion that, taking account of severe but plausible downsides, the charity has adequate resources to continue to meet their liabilities over the period of 12 months from the date of approval of the financial statements (the going concern assessment period). In reaching this conclusion, the Group Board and the Board considered the following factors in their respective review of the Group and charity's financial position:

- Rent and service charge receivable – arrears and bad debt assumptions have been increased to allow for customer difficulties in making payments and budget and business plan scenarios have been updated to take account of potential future changes in rent increases;
- The property market – budget and business plan scenarios have taken account of delays, rising costs, productivity and labour shortages, and reprofiled new build handovers.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)****1. Accounting policies (continued)**

- Maintenance costs – budget and business plan scenarios have been modelled to take account revised profiles of repairs and maintenance expenditure, with major works being phased into future years;
- Development activity – forecast development expenditure has been modelled to take account of potential revised investment profiles;
- Liquidity – current available cash of £8.2m and other forecast cash flows over the going concern assessment period;
- The Group and charity's ability to withstand other adverse scenarios such as higher interest rates and increases in the number of void properties.

The Board believe the Group and charity have sufficient funding in place and are satisfied that the Group will be in compliance with its debt covenants even in severe but plausible downside scenarios. Specifically, Wheatley Foundation has limited financial commitments and manages these such that it does not commit to funding in advance of confirmed income from donations. It is therefore able to manage its cashflows as outlined in the Directors' report on pages 6 to 8.

Consequently, the Board is confident that the Group and charity will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**Incoming resources***Basis for recognition of income resources*

Income from charitable activities and other income are recognised when there is entitlement, certainty or receipt and the amount can be measured with sufficient reliability.

*Income for charitable activities*

The charity receives income from grant funding which are included is income from charitable activities. These types of income are subject to specific performance conditions and entitlement is earned as the related services are provided. Income is deferred where performance conditions have not been met.

*Donations*

The charity receives donations and gift aid payments from Wheatley Group subsidiaries to be allocated to activities in line with the charity's aims.

**Resources expended**

Resources are expended in the period to which they relate and when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)****1. Accounting policies (continued)****Activity based reporting**

The Directors are of the opinion that the charity has a single activity and there is no requirement to provide further analysis within the notes to the financial statements.

**Taxation**

As a charity, Wheatley Foundation is exempt from corporation tax on its charitable activities by virtue of Section 505(1) Income & Corporation Taxes Act 1988 and from capital gains tax by virtue of Section 145 Capital Gains Tax Act 1979.

**Value Added Tax**

Wheatley Foundation is registered for VAT as part of Wheatley Housing Group's VAT group. Its income is exempt for VAT purposes, giving rise to no VAT liability.

**Employees**

The charity has no employees. Staff are employed by another group company and seconded to Wheatley Foundation.

**2. Net incoming resources for the year**

|   | <b>2023</b>  | <b>2022</b>  |
|---|--------------|--------------|
|   | <b>£'000</b> | <b>£'000</b> |
| <b>Net incoming resources is stated after charging:</b> |              |              |
| Auditor's remuneration – audit services                 | 30           | 15           |

**3. Donations**

|                                   | <b>2023</b>   | <b>2022</b>  |
|-----------------------------------|---------------|--------------|
|                                   | <b>£'000</b>  | <b>£'000</b> |
| <i>Unrestricted income:</i>       |               |              |
| Donations from group undertakings | 7,000         | 761          |
| Gift aid from group undertakings  | 3,131         | 3,240        |
| Donations Other                   | 304           | 329          |
|                                   | <u>10,435</u> | <u>4,330</u> |

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)****4. Incoming resources from charitable activities**

|                             | <b>2023</b>  | <b>2022</b>  |
|-----------------------------|--------------|--------------|
|                             | <b>£'000</b> | <b>£'000</b> |
| <i>Unrestricted income:</i> |              |              |
| Grant income                | 770          | 414          |
| <i>Restricted income:</i>   |              |              |
| Grant income                | 581          | 576          |
|                             | <u>1,351</u> | <u>990</u>   |

**5. Charitable activities**

|   | <b>2023</b>  | <b>2022</b>  |
|---|--------------|--------------|
|   | <b>£'000</b> | <b>£'000</b> |
| <i>Unrestricted resource expenditure:</i> |              |              |
| Direct project costs                      | 2,659        | 1,393        |
| Running costs                             | 407          | 329          |
| Seconded staff costs                      | 2,919        | 2,591        |
| <i>Restricted resource expenditure:</i>   |              |              |
| Direct project costs                      | 519          | 401          |
| Seconded staff costs                      | 62           | 165          |
|   | <u>6,566</u> | <u>4,879</u> |

**6. Governance costs**

|                                 | <b>2023</b>  | <b>2022</b>  |
|---------------------------------|--------------|--------------|
|                                 | <b>£'000</b> | <b>£'000</b> |
| External audit fees (Excl. VAT) | <u>25</u>    | <u>12</u>    |
| External audit fees (Incl. VAT) | <u>30</u>    | <u>15</u>    |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

### 7. Debtors

|                                    | <b>2023</b>  | <b>2022</b>  |
|------------------------------------|--------------|--------------|
|                                    | <b>£'000</b> | <b>£'000</b> |
| Amounts owed by group undertakings | -            | 134          |
| Prepayments                        | 26           | 42           |
| Other debtors                      | 324          | 196          |
|                                    | <u>350</u>   | <u>372</u>   |

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 8. Cash and cash equivalents

|              | <b>2023</b>  | <b>2022</b>  |
|--------------|--------------|--------------|
|              | <b>£'000</b> | <b>£'000</b> |
| Cash at bank | 8,173        | 2,131        |
|              | <u>8,173</u> | <u>2,131</u> |

### 9. Creditors: amounts falling due within one year

|                                  | <b>2023</b>  | <b>2022</b>  |
|----------------------------------|--------------|--------------|
|                                  | <b>£'000</b> | <b>£'000</b> |
| Accruals and deferred income     | 567          | 210          |
| Amounts due to group undertaking | 768          | 295          |
|                                  | <u>1,335</u> | <u>505</u>   |

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

### 10. Analysis of net assets between funds

|  | Unrestricted<br>funds<br>£'000 | Restricted funds<br>£'000 | Total<br>£'000 |
|--|--------------------------------|---------------------------|----------------|
| Fund balance at 31 March 2023 as represented by: |                                |                           |                |
| Cash at bank and in hand                         | 7,627                          | 546                       | 8,173          |
| Other net current liabilities                    | (449)                          | (536)                     | (985)          |
|  | <hr/>                          | <hr/>                     | <hr/>          |
| At 31 March 2023                                 | 7,178                          | 10                        | 7,188          |

### Analysis of net assets between funds – previous year

|  | Unrestricted<br>funds<br>£'000 | Restricted funds<br>£'000 | Total<br>£'000 |
|--|--------------------------------|---------------------------|----------------|
| Fund balance at 31 March 2022 as represented by: |                                |                           |                |
| Cash at bank and in hand                         | 1,990                          | 142                       | 2,131          |
| Other net current liabilities                    | (1)                            | (132)                     | (133)          |
|  | <hr/>                          | <hr/>                     | <hr/>          |
| At 31 March 2022                                 | 1,988                          | 10                        | 1,998          |

### 11. Analysis of charitable funds

#### Analysis of movements in unrestricted funds

|               | 1 April<br>2022<br>£'000 | Incoming<br>£'000 | Outgoing<br>£'000 | 31 March<br>2023<br>£'000 |
|---------------|--------------------------|-------------------|-------------------|---------------------------|
| General funds | 1,988                    | 11,205            | (6,015)           | 7,178                     |
|               | <hr/>                    | <hr/>             | <hr/>             | <hr/>                     |
| Total         | 1,988                    | 11,205            | (6,015)           | 7,178                     |

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)****11. Analysis of charitable funds (continued)****Analysis of movements in restricted funds**

|   | 1 April<br>2022 | Incoming | Outgoing | 31 March<br>2023 |
|---|-----------------|----------|----------|------------------|
|   | £'000           | £'000    | £'000    | £'000            |
| Scottish Government Strategic Partnership   | -               | 250      | (250)    | -                |
| Fuel poverty top ups                        | -               | 38       | (38)     | -                |
| Energy redress funding                      | -               | 10       | (10)     | -                |
| Revive project                              | -               | 71       | (71)     | -                |
| Creative Scotland                           | -               | 6        | (6)      | -                |
| SFHA Fuel support                           | -               | 185      | (185)    | -                |
| Dumfries & Galloway Council poverty support | -               | 11       | (11)     | -                |
| Lintel Trust                                | 10              | 10       | (10)     | 10               |
|   |                 |          |          |                  |
| Total                                       | 10              | 581      | (581)    | 10               |

| Name of restricted fund                     | Description, nature and purposes of the fund  |
|---|---|
| Scottish Government Strategic Partnership   | To work with disadvantaged communities to increase community experience and capability, foster leadership, and carry out community engagement through three key strands – the Wheatley Works pre-employability programme and building financial capability & community connections. |
| Fuel poverty top ups                        | Fund facilitated by GCC to citizens who have stated that they are in fuel poverty.  |
| Energy Redress Funding                      | To support Big Energy Saving Network project by providing energy advice and awareness to customers who are at risk of fuel poverty as well as training staff who will be working with these customers.  |
| Revive project                              | Homeless prevention project to reduce instances of homelessness through early engagement.   |
| Creative Scotland                           | Project to support local artists in Wheatley communities.   |
| SFHA Fuel support                           | To support customers in need during the cost of living crisis by providing fuel vouchers, low cost and low energy cooking devices and low energy lightbulbs.  |
| Dumfries & Galloway Council poverty support | To support customers in Dumfries & Galloway (specifically Stewartry and Wigtown) during the cost-of-living crisis by providing fuel vouchers to help heat their homes, food vouchers to help feed their families and low energy lightbulbs to help reduce some of their costs.      |
| Lintel Trust                                | Project to deliver a summer programme to encourage families to undertake more physical activities.  |

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)****12. Financial commitments**

At 31 March 2023, the charity had no annual financial commitments under non-cancellable land and buildings operating leases (2022: none).

**13. Related party transactions**

Related party interests and transactions during the year are as follows:

|                             | Received in the<br>year<br>£ 000 | Year end<br>balance<br>£ 000 |
|-----------------------------|----------------------------------|------------------------------|
| <b>2023</b>                 |                                  |                              |
| Steven Henderson – Donation | 74                               | -                            |

**14. Company limited by guarantee**

The charity has no share capital and is a company limited by guarantee. The sole member is Wheatley Housing Group Limited, which has undertaken to contribute such amount not exceeding £1 as may be required in the event of the charity winding up.

**15. Ultimate parent organisation**

The Wheatley Foundation is a subsidiary undertaking of the Wheatley Housing Group Limited, a company limited by guarantee and registered in Scotland.

The results of the charity are consolidated into the group financial statements of the Wheatley Housing Group Limited. The consolidated financial statements of the Wheatley Housing Group Limited may be obtained from the registered office at Wheatley House, 25 Cochrane Street, Glasgow, G1 1HL.



## **SUPPLEMENTARY INFORMATION**

### **Secretary and Registered Office**

Anthony Allison  
The Wheatley Foundation Limited  
Wheatley House  
25 Cochrane Street  
Glasgow G1 1HL

### **Independent auditor**

KPMG LLP  
319 St Vincent Street  
Glasgow G2 5AS

### **Banker**

Royal Bank of Scotland  
Glasgow Corporate Office  
110 Queen Street  
Glasgow G1 3BX