

REGISTERED COMPANY NUMBER: 02550488 (England and Wales)  
REGISTERED CHARITY NUMBER: 1001923

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023  
FOR  
EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

Heywood Shepherd  
Chartered Accountants  
1 Park Street  
Macclesfield  
Cheshire  
SK11 6SR

**EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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|   | <b>Page</b> |
|---|-------------|
| <b>Report of the Trustees</b>                     | 1 to 4      |
| <b>Report of the Independent Auditors</b>         | 5 to 8      |
| <b>Statement of Financial Activities</b>          | 9           |
| <b>Balance Sheet</b>                              | 10          |
| <b>Cash Flow Statement</b>                        | 11          |
| <b>Notes to the Cash Flow Statement</b>           | 12          |
| <b>Notes to the Financial Statements</b>          | 13 to 18    |
| <b>Detailed Statement of Financial Activities</b> | 19 to 20    |

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## **EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **Principal place of business**

East Cheshire Housing Consortium Limited is a registered charity incorporated and domiciled in England and has its registered office and principal place of business at Anderson House, 3 Goodall Street, Macclesfield SK11 7BD.

#### **OBJECTIVES AND ACTIVITIES**

##### **Mission Statement**

East Cheshire Housing Consortium exists to provide supported accommodation for people with mental health problems and believe that those who live in residential care should do so with dignity, that they should have the respect of those who support them; should live with no reduction of their rights as citizens (except where the law so prescribes); and should be entitled to live as full and active a life as their physical and mental condition will allow.

The objective of the Charity is to promote any charitable purpose for the public benefit of persons with mental health problems and persons with learning difficulties, to obtain the most appropriate forms of housing with the necessary support to meet their individual needs. In this respect The Trustees have had regard to the Charity's Commissions guidance in "Public Benefit".

In order to achieve the above the Charity Liaises with Local Authorities, Social Services and housing providers to create appropriate housing, and provides support staffing for such developments and individuals.

##### **Public benefit**

The Charity is a public benefit entity.

##### **Volunteers**

There were no volunteers during either the current or previous year.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Achievements and performance**

The Charity has continued to achieve its goals throughout the year and will continue to liaise with Local Authorities, Social Services, Housing Associations and other Landlords in order to ensure the continues provision of care in the future. The Charity has continued to expand its operations. The charity opened a new development, in memory of a former trustee Barrie Hardern, named Hardern House. We also relocated offices in June 21. The Charity prides itself on the quality of its service provision, and standards of housing, and measures its success at achieving its objectives by the increasing number of service users it is able to accommodate.

#### **FINANCIAL REVIEW**

##### **Financial Review and reserves**

The Directors attempt to maintain free reserves at a level which covers at least two to three months of total expenditure. The free reserves currently stand at a level which represents just under three months (2022- Just under three months). This reduction is due to the previous surplus reserves in the acquisition of additional facilities during the year. As free reserves build up the provision of care within the aforementioned objectives.

Surplus funds are invested in low risk, short to medium term, investment vehicles in line with the above objectives, so that flexibility is maintained in order to ensure the Charity is capable of taking advantage of the availability of suitable properties as and when they arise.

##### **Principal funding sources**

The principal funding sources for the Charity are via contracts with Local Authorities and Social Services for the procurement of the relevant level of care and through the receipt of Section 64 Management Grants. The Charity does not carry out fundraising activities.

##### **Going concern**

The directors have reviewed the charity's ability to continue as a going concern beyond the anniversary of the annual general meeting, by reference budgets prepared for the financial year ended 31st March 2023, the levels of reserves anticipated at that date, and the future planned investment. They have concluded that there are no foreseeable issues which would prevent the company preparing the financial statements on a going concern basis.

## **EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

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#### **FINANCIAL REVIEW**

The Directors attempt to maintain free reserves at a level which covers at least two to three months of total expenditure. The free reserves currently stand at a level which represents just under three months (2021 Just under three months). This reduction is due to the previous surplus reserves in the acquisition of additional facilities during the year. As free reserves build up the provision of care within the aforementioned objectives. Surplus funds are invested in low risk, short to medium term, investment vehicles in line with the above objectives, so that flexibility is maintained in order to ensure the Charity is capable of taking advantage of the availability of suitable properties as and when they arise

#### **FUTURE PLANS**

Demand for the services provided by the Charity remains high and the Charity has operated with fewer voids than previously during the year. The Trustees continuously explore a variety of initiatives to take advantages of the surplus reserves. The Trustees continue to monitor the requirements of Social Services and Local Authorities and are ready to react quickly to any new or additional demands for services that lie within the Charity's objectives.

#### **R**

##### **Results and appropriations**

The results and the state of affairs of the company for the year are set out in financial statements on pages 8 to 20 and with further expansion of the services and the reduced numbers of voids show an improvement over the previous terms in the Charity's finances.

#### **Equity**

The company is limited by the guarantee with each member being liable to contribute £1 in the event of a winding up. The Trustees comprise the members of the company. All of the Charity's reserves are to be used for its charitable purposes and there are no equity, or non-equity, interested parties.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Charity is run by the Directors who are also the members who meet on a regular basis and make policy decisions which are enacted by the Chief Executive Officer and staff members. Individuals who hold appropriate qualifications or who have relevant experience, are invited to offer themselves as potential Directors based on their affinity to the objectives of the Charity, and are elected by the existing directors.

The Charity is governed by its Memorandum and Articles of Association and is incorporated as a Limited Company. The member's liability is limited by guarantee. In the event of the company being wound up, members are required to contribute an amount not exceeding of £1.

East Cheshire Housing Consortium works with local Authorities, Social Services, and Housing Associations and other landlords to provide suitable supported housing and accordance with the mission statement detailed above. All staff are remunerated and the Charity has no reliance on unpaid volunteers. The salary of the chief Executive Officer is set by the Trustees.

The company holds trustee indemnity insurance for the protection of the Directors.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

02550488 (England and Wales)

##### **Registered Charity number**

1001923

##### **Registered office**

Anderson House  
Goodall Street  
Macclesfield  
SK11 7BD

## **EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

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#### **Trustees**

J V Bisset - Chairman  
A Dicken  
Mrs S Horne  
S Shaughnessy  
J Wigmore (resigned 28.3.23)  
Dr M A Smith  
Mrs T Cresswell (appointed 6.12.22)

#### **Company Secretary**

Mrs B J Wright

#### **Auditors**

Heywood Shepherd  
Chartered Accountants  
1 Park Street  
Macclesfield  
Cheshire  
SK11 6SR

#### **Bankers**

Barclays Bank plc  
10 Market Place  
Macclesfield  
Cheshire  
SK10 1HA

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of East Cheshire Housing Consortium Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on The Charity's website. It is important to bear in mind that legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors are satisfied that they have complied with section 4 of the Charities Act 2006, in respect of the requirements to provide services for the public benefit.

#### **AUDITORS**

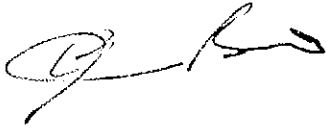
The auditors, Heywood Shepherd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2023**

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Approved by order of the board of trustees on 24 October 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'J V Bisset', written in a cursive style.

J V Bisset - Trustee

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EAST CHESHIRE HOUSING CONSORTIUM LIMITED

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### Opinion

We have audited the financial statements of East Cheshire Housing Consortium Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

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

In the light of the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where the 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the 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.



## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EAST CHESHIRE HOUSING CONSORTIUM LIMITED

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### Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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, are detailed below:

Our approach to identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity care sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatements, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or expected relationships;
- reviewed journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigate the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors/trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from errors as they may involve deliberate concealment or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

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**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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Neil Anthony Kennington FCA (Senior Statutory Auditor)  
for and on behalf of Heywood Shepherd  
Chartered Accountants  
1 Park Street  
Macclesfield  
Cheshire  
SK11 6SR

24 October 2023

**EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2023**

|   | Notes | Unrestricted<br>funds<br>£ | Restricted<br>fund<br>£ | 2023<br>Total<br>funds<br>£ | 2022<br>Total<br>funds<br>£ |
|---|-------|----------------------------|-------------------------|-----------------------------|-----------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>           |       |                            |                         |                             |                             |
| <b>Charitable activities</b>                | 4     |                            |                         |                             |                             |
| Grants and care income                      |       | 3,757,821                  | -                       | 3,757,821                   | 3,357,801                   |
| Section 64 grants                           |       | 149,888                    | -                       | 149,888                     | 253,740                     |
| Investment income                           | 3     | -                          | -                       | -                           | 7,800                       |
| Other income                                |       | 2,634                      | -                       | 2,634                       | -                           |
| <b>Total</b>                                |       | <b>3,910,343</b>           | <b>-</b>                | <b>3,910,343</b>            | <b>3,619,341</b>            |
| <b>EXPENDITURE ON</b>                       |       |                            |                         |                             |                             |
| <b>Charitable activities</b>                | 5     |                            |                         |                             |                             |
| General                                     |       | -                          | -                       | -                           | -                           |
| Grants and care income                      |       | -                          | -                       | -                           | -                           |
| Staff costs                                 |       | 2,456,017                  | -                       | 2,456,017                   | 2,282,156                   |
| Premises costs                              |       | 1,128,098                  | -                       | 1,128,098                   | 1,086,986                   |
| Legal and professional                      |       | 56,415                     | -                       | 56,415                      | 35,927                      |
| Other expenses                              |       | 468,192                    | -                       | 468,192                     | 197,312                     |
| Audit, statutory accounts and annual return |       | 4,800                      | -                       | 4,800                       | 6,000                       |
| Other                                       |       | 5,390                      | -                       | 5,390                       | 5,810                       |
| <b>Total</b>                                |       | <b>4,118,912</b>           | <b>-</b>                | <b>4,118,912</b>            | <b>3,614,191</b>            |
| Net gains on investments                    |       | 67,431                     | -                       | 67,431                      | -                           |
| <b>NET INCOME/(EXPENDITURE)</b>             |       | <b>(141,138)</b>           | <b>-</b>                | <b>(141,138)</b>            | <b>5,150</b>                |
| <b>RECONCILIATION OF FUNDS</b>              |       |                            |                         |                             |                             |
| Total funds brought forward                 |       | 1,273,499                  | 1,329                   | 1,274,828                   | 1,269,678                   |
| <b>TOTAL FUNDS CARRIED FORWARD</b>          |       | <b>1,132,361</b>           | <b>1,329</b>            | <b>1,133,690</b>            | <b>1,274,828</b>            |

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

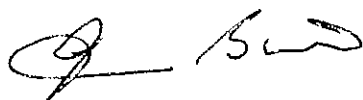
# **EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

## **BALANCE SHEET 31 MARCH 2023**

|  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>fund<br>£ | 2023<br>Total<br>funds<br>£ | 2022<br>Total<br>funds<br>£ |
|--|-------|----------------------------|-------------------------|-----------------------------|-----------------------------|
| <b>FIXED ASSETS</b>                          |       |                            |                         |                             |                             |
| Tangible assets                              | 10    | 319,207                    | -                       | 319,207                     | 310,963                     |
| Investment property                          | 11    | -                          | -                       | -                           | 252,500                     |
|  |       | <u>319,207</u>             | <u>-</u>                | <u>319,207</u>              | <u>563,463</u>              |
| <b>CURRENT ASSETS</b>                        |       |                            |                         |                             |                             |
| Debtors                                      | 12    | 717,242                    | -                       | 717,242                     | 1,020,203                   |
| Cash at bank and in hand                     |       | 340,054                    | 1,329                   | 341,383                     | 67,293                      |
|  |       | <u>1,057,296</u>           | <u>1,329</u>            | <u>1,058,625</u>            | <u>1,087,496</u>            |
| <b>CREDITORS</b>                             |       |                            |                         |                             |                             |
| Amounts falling due within one year          | 13    | (143,999)                  | -                       | (143,999)                   | (292,117)                   |
|  |       | <u>913,297</u>             | <u>1,329</u>            | <u>914,626</u>              | <u>795,379</u>              |
| <b>NET CURRENT ASSETS</b>                    |       |                            |                         |                             |                             |
|  |       | <u>1,232,504</u>           | <u>1,329</u>            | <u>1,233,833</u>            | <u>1,358,842</u>            |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                            |                         |                             |                             |
|  |       | <u>1,232,504</u>           | <u>1,329</u>            | <u>1,233,833</u>            | <u>1,358,842</u>            |
| <b>CREDITORS</b>                             |       |                            |                         |                             |                             |
| Amounts falling due after more than one year | 14    | (100,143)                  | -                       | (100,143)                   | (84,014)                    |
|  |       | <u>1,132,361</u>           | <u>1,329</u>            | <u>1,133,690</u>            | <u>1,274,828</u>            |
| <b>NET ASSETS</b>                            |       |                            |                         |                             |                             |
|  |       | <u>1,132,361</u>           | <u>1,329</u>            | <u>1,133,690</u>            | <u>1,274,828</u>            |
| <b>FUNDS</b>                                 | 16    |                            |                         |                             |                             |
| Unrestricted funds                           |       |                            |                         | 1,132,361                   | 1,273,499                   |
| Restricted funds                             |       |                            |                         | 1,329                       | 1,329                       |
| <b>TOTAL FUNDS</b>                           |       |                            |                         | <u>1,133,690</u>            | <u>1,274,828</u>            |

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

The financial statements were approved by the Board of Trustees and authorised for issue on 24 October 2023 and were signed on its behalf by:



J V Bisset - Trustee

The notes form part of these financial statements

**EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

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

|   | Notes | 2023<br>£      | 2022<br>£        |
|---|-------|----------------|------------------|
| <b>Cash flows from operating activities</b>                               |       |                |                  |
| Cash generated from operations  | 1     | (27,022)       | (196,118)        |
| Interest paid   |       | (5,390)        | (5,810)          |
| Net cash used in operating activities                                     |       | (32,412)       | (201,928)        |
| <b>Cash flows from investing activities</b>                               |       |                |                  |
| Purchase of tangible fixed assets   |       | (45,704)       | (20,244)         |
| Sale of tangible fixed assets   |       | 10,069         | -                |
| Sale of fixed asset investments   |       | 67,431         | -                |
| Sale of investment property   |       | 252,500        | -                |
| Net cash provided by/(used in) investing activities                       |       | 284,296        | (20,244)         |
| <b>Cash flows from financing activities</b>                               |       |                |                  |
| Capital repayments in year  |       | 22,206         | (11,008)         |
| Net cash provided by/(used in) financing activities                       |       | 22,206         | (11,008)         |
| <b>Change in cash and cash equivalents in the reporting period</b>        |       | <b>274,090</b> | <b>(233,180)</b> |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |       | <b>67,293</b>  | <b>300,473</b>   |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |       | <b>341,383</b> | <b>67,293</b>    |

The notes form part of these financial statements

**EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

**1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

|  | 2023<br>£       | 2022<br>£        |
|--|-----------------|------------------|
| Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities) | (141,138)       | 5,150            |
| Adjustments for:   |                 |                  |
| Depreciation charges   | 30,024          | 58,549           |
| Losses on investments  | (67,431)        | -                |
| Profit on disposal of fixed assets   | (2,634)         | -                |
| Interest paid  | 5,390           | 5,810            |
| Decrease/(increase) in debtors   | 302,963         | (316,168)        |
| (Decrease)/increase in creditors   | (154,196)       | 50,541           |
| <b>Net cash used in operations</b>   | <b>(27,022)</b> | <b>(196,118)</b> |

**2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS**

|                          | At 1.4.22<br>£   | Cash flow<br>£  | At 31.3.23<br>£  |
|--------------------------|------------------|-----------------|------------------|
| <b>Net cash</b>          |                  |                 |                  |
| Cash at bank and in hand | 67,293           | 274,090         | 341,383          |
|                          | <u>67,293</u>    | <u>274,090</u>  | <u>341,383</u>   |
| <b>Debt</b>              |                  |                 |                  |
| Finance leases           | (113,266)        | (22,206)        | (135,472)        |
|                          | <u>(113,266)</u> | <u>(22,206)</u> | <u>(135,472)</u> |
| <b>Total</b>             | <b>(45,973)</b>  | <b>251,884</b>  | <b>205,911</b>   |

The notes form part of these financial statements

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

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1. COMPANY STATUS

The charity is limited by guarantee. The liability in respect of the guarantee, as set out in the memorandum of association, is limited to £1 per member of the charity. There are six members.

2. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling which is also the functional currency of the company.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

In addition expenses are sub-divided into those costs that are directly incurred by the various properties and schemes that provide accommodation and care to the charity's beneficiaries and those that relate to the overall administrative operations of the charity.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

|                     |                                   |
|---------------------|-----------------------------------|
| Short leasehold     | - in accordance with the property |
| Plant and machinery | - Straight line over 5 years      |
| Motor vehicles      | - Straight line over 4 years      |

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

The value of the investment property at the balance sheet date 31.03.22 was £252,500.

The freehold property was initially acquired, and used, for the charity's purposes. However, changes in the care policies have prevented its use for these purposes, and it, therefore, was treated as an investment property. As such it was revalued, by M. Sutton of Janhill Limited in June 2019, at its market value.

During the year this property was sold for £319,931.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Funding is provided by weekly charge to our residents, topped up by a 'Section 64' grant from Central and Eastern Cheshire Primary Care Trust and contractual agreements with various Government care bodies.

**2. ACCOUNTING POLICIES - continued****Fund accounting**

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Going concern**

After due consideration, the trustees have concluded that there are no material uncertainties concerning the charity's ability to continue as a going concern for the foreseeable future.

**Pensions**

The charity has operated a contribution based auto-enrolment pension scheme for the benefit of its employees in accordance with legislation on workplace pensions. The pension costs arising are charged to the SOFA under staff costs at the time the liability is incurred.

**Leasing and hire purchase commitments**

Rentals paid under operating leases are charged to the SOFA on a straight line basis over the lease term.

**3. INVESTMENT INCOME**

|                | 2023 | 2022  |
|----------------|------|-------|
|                | £    | £     |
| Rents received | -    | 7,800 |

**4. INCOME FROM CHARITABLE ACTIVITIES**

|                        | Activity               | 2023             | 2022             |
|------------------------|------------------------|------------------|------------------|
|                        |                        | £                | £                |
| Grants and care income | Grants and care income | 3,757,821        | 3,357,801        |
| Section 64 grants      | Section 64 grants      | 149,888          | 253,740          |
|                        |                        | <u>3,907,709</u> | <u>3,611,541</u> |

**5. CHARITABLE ACTIVITIES COSTS**

|   | Direct Costs     | Support costs (see note 6) | Totals           |
|---|------------------|----------------------------|------------------|
|   | £                | £                          | £                |
| Staff costs                                 | 2,456,017        | -                          | 2,456,017        |
| Premises costs                              | 1,128,098        | -                          | 1,128,098        |
| Legal and professional                      | 25,697           | 30,718                     | 56,415           |
| Other expenses                              | 468,192          | -                          | 468,192          |
| Audit, statutory accounts and annual return | 4,800            | -                          | 4,800            |
|   | <u>4,082,804</u> | <u>30,718</u>              | <u>4,113,522</u> |



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**6. SUPPORT COSTS**

|                        | Finance    | Governance costs | Totals        |
|------------------------|------------|------------------|---------------|
|                        | £          | £                | £             |
| Legal and professional | <u>221</u> | <u>30,497</u>    | <u>30,718</u> |

**7. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

|                                     | 2023           | 2022     |
|-------------------------------------|----------------|----------|
|                                     | £              | £        |
| Auditors' remuneration              | 4,800          | 6,000    |
| Depreciation - owned assets         | 30,024         | 58,549   |
| Surplus on disposal of fixed assets | <u>(2,634)</u> | <u>-</u> |

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

**9. STAFF COSTS**

| Staff costs  | 2023             | 2022             |
|--|------------------|------------------|
|  | £                | £                |
| Gross wages  | 1,695,009        | 1,546,045        |
| Employer's contribution to defined contribution pension scheme | 43,193           | 38,223           |
| Employer's NI contributions                                    | <u>153,448</u>   | <u>124,421</u>   |
|  | <u>1,891,691</u> | <u>1,708,689</u> |

The average monthly number of employees during the year was as follows:

|                                | 2023      | 2022      |
|--------------------------------|-----------|-----------|
|                                | 63        | 72        |
| Operational and administrative | <u>63</u> | <u>72</u> |

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

|                   | 2023     | 2022     |
|-------------------|----------|----------|
|                   | 1        | 1        |
| £80,001 - £90,000 | <u>1</u> | <u>1</u> |

During the year the charity utilised the services of agency staff to provide some of the staffing requirements. The costs of these contractual arrangements were £592,071 (2022 £419,892).

**EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**10. TANGIBLE FIXED ASSETS**

|                        | Short<br>leasehold<br>£ | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | Totals<br>£ |
|------------------------|-------------------------|-----------------------------|------------------------|-------------|
| <b>COST</b>            |                         |                             |                        |             |
| At 1 April 2022        | 348,291                 | 234,035                     | 188,831                | 771,157     |
| Additions              | -                       | -                           | 45,704                 | 45,704      |
| Disposals              | -                       | -                           | (30,746)               | (30,746)    |
| At 31 March 2023       | 348,291                 | 234,035                     | 203,789                | 786,115     |
| <b>DEPRECIATION</b>    |                         |                             |                        |             |
| At 1 April 2022        | 144,943                 | 234,035                     | 81,217                 | 460,195     |
| Charge for year        | -                       | -                           | 30,024                 | 30,024      |
| Eliminated on disposal | -                       | -                           | (23,311)               | (23,311)    |
| At 31 March 2023       | 144,943                 | 234,035                     | 87,930                 | 466,908     |
| <b>NET BOOK VALUE</b>  |                         |                             |                        |             |
| At 31 March 2023       | 203,348                 | -                           | 115,859                | 319,207     |
| At 31 March 2022       | 203,348                 | -                           | 107,614                | 310,962     |

**11. INVESTMENT PROPERTY**

|                       | £         |
|-----------------------|-----------|
| <b>FAIR VALUE</b>     |           |
| At 1 April 2022       | 252,500   |
| Disposals             | (252,500) |
| At 31 March 2023      | -         |
| <b>NET BOOK VALUE</b> |           |
| At 31 March 2023      | -         |
| At 31 March 2022      | 252,500   |

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                | 2023<br>£ | 2022<br>£ |
|--------------------------------|-----------|-----------|
| Trade debtors                  | 317,391   | 488,760   |
| Other debtors                  | 4,097     | 625       |
| Prepayments and accrued income | 395,754   | 530,818   |
|                                | 717,242   | 1,020,203 |

**EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                 | 2023           | 2022           |
|---------------------------------|----------------|----------------|
|                                 | £              | £              |
| Finance leases (see note 15)    | 35,329         | 29,252         |
| Trade creditors                 | 61,241         | 118,073        |
| Social security and other taxes | 33,948         | 33,736         |
| Accruals and deferred income    | 13,481         | 111,056        |
|                                 | <u>143,999</u> | <u>292,117</u> |

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                              | 2023           | 2022          |
|------------------------------|----------------|---------------|
|                              | £              | £             |
| Finance leases (see note 15) | <u>100,143</u> | <u>84,014</u> |

**15. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

|                            | Finance leases                   |                  |
|----------------------------|----------------------------------|------------------|
|                            | 2023                             | 2022             |
|                            | £                                | £                |
| Net obligations repayable: |                                  |                  |
| Within one year            | 35,329                           | 29,252           |
| Between one and five years | 100,143                          | 84,014           |
|                            | <u>135,472</u>                   | <u>113,266</u>   |
|                            | Non-cancellable operating leases |                  |
|                            | 2023                             | 2022             |
|                            | £                                | £                |
| Within one year            | 789,701                          | 775,382          |
| Between one and five years | 3,209,341                        | 2,557,481        |
| In more than five years    | 6,665,492                        | 5,406,948        |
|                            | <u>10,664,534</u>                | <u>8,739,811</u> |

During the year a new property lease agreements was acquired for a commitment period of 20 years. The lease payments for the agreements equate to £136,092 per annum.

**16. MOVEMENT IN FUNDS**

|                           | 2022             | Net movement   | Transfer | 2023             |
|---------------------------|------------------|----------------|----------|------------------|
|                           | £                | £              | £        | £                |
| <b>Unrestricted funds</b> |                  |                |          |                  |
| General funds             | 1,229,636        | 161,896        | -        | 1,067,740        |
| Revaluation reserves      | 23,463           | -              | -        | 23,463           |
| Designated funds          | 20,400           | -              | -        | 20,400           |
|                           | <u>1,273,499</u> |                | -        | <u>1,111,603</u> |
| <b>Restricted funds</b>   |                  |                |          |                  |
| Nixon Street              | 1,329            | -              | -        | 1,329            |
|                           | <u>1,274,828</u> | <u>161,896</u> | <u>-</u> | <u>1,112,932</u> |

**17. EMPLOYEE BENEFIT OBLIGATIONS**

During the year the company operated a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs and charge represents contributions payable by the company to the fund and amount to £43,193 (2022 £38,223). At the 31st March 2023 contributions amounting to £7,180 (2022 £6,491) were payable to the fund and were included in creditors.

**18. RELATED PARTY DISCLOSURES**

Trustee

J V Bisset, Chairman of the Board of Trustees charged fees of £9,871 (2022 £9,401) during the year in respect of time incurred on non-Trustee activities in accordance with Article 6a of the company's constitution.

The amount outstanding to J V Bisset at the balance sheet date was NIL (2022 £2,350).

**19. RESTRICTED FUNDS**

**Nixon Street Donation**

The restricted fund has arisen from a donation received from the will of a former resident of Nixon Street. The funds are restricted to the improvement of Nixon Street. £4,000 of the funds were allocated to furnishings which were capitalised in November 2014. The fund is therefore being utilised against depreciation of those furnishings over five years. This element of the fund has now been fully depreciated leaving the balance of £1,329 (2022 £1,329) available for further improvements.

**20. DESIGNATED FUNDS**

The dilapidations fund provides for the renovation of residents' rooms. There have been no transfers to or from this fund during the current or comparative year. The fund balance at the year end was £20,400 (2022 £20,400).

**EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2023**

|                                       | 2023<br>£        | 2022<br>£        |
|---------------------------------------|------------------|------------------|
| <b>INCOME AND ENDOWMENTS</b>          |                  |                  |
| <b>Investment income</b>              |                  |                  |
| Rents received                        | -                | 7,800            |
| <b>Charitable activities</b>          |                  |                  |
| Grants and care income                | 3,757,821        | 3,357,801        |
| Section 64 grants                     | 149,888          | 253,740          |
|                                       | <b>3,907,709</b> | <b>3,611,541</b> |
| <b>Other income</b>                   |                  |                  |
| Gain on sale of tangible fixed assets | 2,634            | -                |
| <b>Total incoming resources</b>       | <b>3,910,343</b> | <b>3,619,341</b> |
| <b>EXPENDITURE</b>                    |                  |                  |
| <b>Charitable activities</b>          |                  |                  |
| Rates and water                       | 32,170           | 30,155           |
| Rent                                  | 878,975          | 781,506          |
| Light and heat                        | 94,027           | 84,445           |
| Telephone                             | 89,899           | 55,969           |
| Insurance                             | 45,289           | 40,310           |
| Maintenance and repairs               | 93,528           | 112,787          |
| Cleaning                              | 29,399           | 33,708           |
| Payroll costs                         | 1,900,882        | 1,707,809        |
| Agency and recruitment                | 585,681          | 419,893          |
| Training                              | 20,931           | 15,742           |
| Motor and travel                      | 113,104          | 82,628           |
| Registrations                         | 886              | 767              |
| Pension costs                         | 9,366            | 8,145            |
| Lifelines                             | 2,602            | 4,197            |
| Fire safety                           | 3,962            | 2,559            |
| Misc and housekeeping                 | 152,079          | 56,933           |
| PPS                                   | -                | 50,902           |
| Holidays and activities               | -                | 5,273            |
| Bad debts                             | -                | 13,967           |
| Depreciation of tangible fixed assets | 30,024           | 58,549           |
|                                       | <b>4,082,804</b> | <b>3,566,244</b> |
| <b>Other</b>                          |                  |                  |
| Bank interest                         | 5,390            | 5,810            |
| <b>Support costs</b>                  |                  |                  |
| <b>Finance</b>                        |                  |                  |
| Bank charges                          | 221              | 210              |
| <b>Governance costs</b>               |                  |                  |
| Auditors' remuneration                | 4,800            | 6,000            |
| Carried forward                       | 4,800            | 6,000            |

This page does not form part of the statutory financial statements

**EAST CHESHIRE HOUSING CONSORTIUM LIMITED**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2023**

|   | 2023<br>£        | 2022<br>£        |
|---|------------------|------------------|
| <b>Governance costs</b>                                 |                  |                  |
| Brought forward   | 4,800            | 6,000            |
| Consultancy and professional                            | 16,711           | 26,926           |
| Management and payroll                                  | 8,986            | 9,001            |
|   | <u>30,497</u>    | <u>41,927</u>    |
| Total resources expended                                | <u>4,118,912</u> | <u>3,614,191</u> |
| <b>Net (expenditure)/income before gains and losses</b> | <b>(208,569)</b> | <b>5,150</b>     |
| <b>Realised recognised gains and losses</b>             |                  |                  |
| Realised gains/(losses) on fixed asset investments      | 67,431           | -                |
|   | <u>(141,138)</u> | <u>5,150</u>     |

This page does not form part of the statutory financial statements