



ANNUAL REPORT & ACCOUNTS
2021 -2022

Guild Care Annual Report and Accounts 2021/22

Contents

- **Introduction - 3**
- **Who's Who - 4**
- **Structure, Governance, and Management - 6**
- **Principle Risks and Uncertainties - 7**
- **Messages from the Chair and CEO – 9 & 10**
- **Financial Review of the Year - 11**
- **Summary – 11**
- **Raising Funds – 12**
 - **Donations & Legacies – 12**
 - **Charity shops – 12**
- **Charitable Activities - 12**
 - **Residential Services – 12**
 - **Home Care – 12**
 - **Community Services – 12**
- **Value for Money – 12**
- **Bank Funding – 13**
- **Reserves Policy – 13**
- **Statement of Disclosure of Information to Auditors – 14**
- **Statement of Trustees' Responsibilities – 15**
- **Independent Auditor's Report to the Members of Guild Care – 16**
- **Consolidated Statement of Financial Activities – 20**
- **Consolidated Statement of Comprehensive Income – 21**
- **Consolidated Statement of Changes in Reserves – 22**
- **Balance Sheet – 23**
- **Statement of Cash Flows – 24**
- **Notes to the Accounts – 25**

Introduction

The Directors, who are the Trustees of Guild Care present their annual report and the accounts for the year ended 31 March 2022

The Trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of The Housing SORP 2018 Statement of Recommended Practice for Social Landlords and The Accounting Direction for Private Registered Providers of Social Housing 2022.

Reference and administrative information are set out on page five and forms part of this report.

Who's Who

Patrons

Tim Loughton MP

Derek Ridley

Trustees

Peter Kinsey (Chair)

Appointed to the Board of Trustees in March 2022. Peter worked in health and social care for 36 years prior to his retirement. His career included roles as a Director in the NHS, a local authority commissioner and, for the last 15 years, CEO of a national care provider supporting people with learning disabilities. Peter now works as a consultant advising organisations in health and social care and a coach for senior managers in addition to supporting several local charities. Peter has an MBA, an MA in the Management of Community Care and is an NLP Master Practitioner. Peter was appointed Chair in September 2022.

Guy Clinch (Deputy Chair)

Appointed to the Board of Trustees in September 2016. Guy is a chartered accountant. He served as Chair of the Board of Trustees for St Barnabas Hospices for 10 years. Guy was appointed Deputy Chair in March 2020.

Mark Davis

Appointed to the Board of Trustees in May 2016. Following a career of over 30 years in the financial services sector, Mark has now taken early retirement. His background includes significant experience in customer services roles, business change and business re-engineering, and IT consultancy at a senior management level. Originally from Newcastle upon Tyne, Mark has been a resident of Worthing for the past 35 years.

Bimal Desai

Appointed to the Board of Trustees in December 2020. Bimal is a solicitor and was a partner in a global law firm for over 22 years, based first in London and then in Dubai and Singapore. He has a keen interest in social care development and policy and enjoys tennis and sailing.

Eileen Houghton

Appointed to the Board of Trustees in November 2017. Eileen was a Chartered Accountant and a partner at Carpenter Box, accountants specialising in the charity and not for profit sector. She has held several voluntary positions, including a brief time working with a charity in Ghana. She also comes from a nursing family, with both parents being trained nurses; in fact, her mother was matron at Guild Care homes in the 1980's/90's.

Rita Protopapa

Appointed to the Board of Trustees in June 2018. Rita is qualified in Business Administration and developed a career within the private and public sectors. Rita loves outdoor life, reading, and travelling and has an interest in disabilities and long-term conditions.

Paul Baker

May 2019 to October 2021

Paul was elected to Worthing Borough Council as a Councillor for Broadwater Ward in 2016 and became Mayor of Worthing in 2018, where one of his Mayoral charities was Guild Care Haviland House, raising £5,000 during the year. Due to other commitments Paul resigned from the Board in October 2021.

Bev Hone

September 2021 to April 22

Bev joined the Board of Trustees in September 2021 after a long career working across health, housing and social care in the statutory and non-profit sectors. Due to other commitments Bev resigned from the Board in April 2022.

Cynthia Lyons

May 2018 to June 2022

Cynthia joined the Board of Trustees in May 2018. Having retired after 32 years in health services, Cynthia has spent her career working as a consultant in public health and was Director of Public Health for East Sussex. She was also a Board Member of the East Sussex Clinical Commissioning Groups and a statutory Chief Officer of East Sussex County Council. Cynthia resigned from the Board in June 2022.

Antonia Hopkins

October 2015 to September 2022

Appointed to the Board of Trustees in October 2015. Having retired after 42 years in the health service. Antonia trained as a nurse and went on to develop a career in Health Visiting NHS management and commissioning. She was the former strategic lead for Health Visiting for the South East of England. Antonia was appointed as Interim Chair in December 2019 and then appointed Chair in March 2020. Antonia resigned from the Board in September 2022.

The Directors, who are the Trustees of Guild Care, present their Annual Report and Accounts for the year ended 31st March 2022. The Trustees confirm that the Annual Report and Financial Statements of the company comply with current statutory requirements, the requirements of the company's governing document, and the provisions of The Housing SORP 2018 Statement of Recommended Practice for Social Landlords and The Accounting Direction for Private Registered Providers of Social Housing 2022.

Structure, Governance, and Management

Guild Care is a charitable company limited by guarantee and regulated by the Social Housing Regulator. The company was established under a Memorandum of Association which set out the objects and powers of the charitable company and it is governed under its Articles of Association.

Guild Care has considered the National Housing Federation Code of Governance 2020 and has complied with the code during the year.

The Board of Trustees sets the strategic direction of the charity and is responsible for its governance. Day to day operational responsibility is delegated to the Chief Executive. The charity has in place a governance manual that sets out the parameters for the delegation of responsibility and this is reviewed on an annual basis.

Trustees hold regular Board meetings and receive copies of monthly management accounts, quarterly KPIs, and reports on performance and sector developments. Annually two meetings are set aside specifically for strategic planning and development purposes.

Within the year the Board operates regular finance sub-committee meetings which support the Trustees' decision-making.

Trustees continue to be recruited through an open process. New Trustees undergo a full induction programme and all Trustees are regularly provided with opportunities to visit services where they can talk to staff members and users of our services. Guild Care annually reviews the skills mix of the Board and operates a succession planning process.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 9 of the accounts.

Guild Care operates a fully inclusive recruitment policy with appointments based solely on aptitude and ability. We are also fully committed to the continuing employment and development of any person who becomes disabled whilst within our employment.

Charity number: 1044658

Company number: 03021390

Housing and Community Number: LH4106

Principal address and registered office: Methold House, North Street, Worthing, West Sussex, BN11 1DU

Auditor, Crowe UK: Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW

Solicitors, Griffith Smith LLP: 47 Old Steyne, Brighton, East Sussex, BN1 1NW

Senior Leadership Team

Alex Brooks-Johnson – Chief Executive

Warren Fabes – Deputy Chief Executive (from December 2021) and Chief Financial Officer

Kevin Burke – Director of Care Homes

Claire Howell – Director of Community Services

Leanne Jones – Director of HR (from February 2022)

Leszek Poplawski – Director of Safety & Compliance (from August 2021)

Adam Rider – Director of Retail

Annie Lewis – Director of Care Homes (Left November 2021)

Amanda Tucker – Director of Fundraising, Marketing & Engagement (Left June 2022)

Tracey Wadey – Director of Nursing, Clinical Governance & Quality (Left August 2021)

Principal Risks and Uncertainties

Guild Care has in place a risk register and risk management process which enables Trustees to monitor key risks of the organisation on a regular basis. Trustees annually review the risk register before signing off the Statutory Accounts for the year.

The key risks identified are:

- Occupancy and resident mix in our care homes do not align to the budget, leading to Guild Care not being able to generate enough income to sustain the work of the charity.
- A serious safeguarding incident or multiple incidents that lead to an overarching adult safeguarding review affecting the whole organisation, which if deemed appropriate could result in suspension or closure of services.
- National staffing shortages affect our ability to sustain our care services.
- Guild Care fails to implement adequate health and safety controls or keep its premises safe, which could result in a risk to health, serious injury or death of a service user, staff member, or the public.

Internal risks are minimised through the implementation of appropriate levels of control and authorisation for all transactions and projects. Procedures are also in place to promote the health and safety of staff, volunteers, residents, tenants, customers, and visitors to all Guild Care sites. Our quality assurance framework has been developed in line with our main regulator's requirements (Care Quality Commission) to ensure the consistent quality and delivery of all operational aspects of the charity. All systems are periodically reviewed to ensure they continue to meet the needs of the charity.

During this financial year, two of our regulated services were inspected by the CQC. Linfield House, which had a rating previously of 'Requires Improvement', returned an outcome of 'Good' following a focussed inspection in June 2021 reflecting the successful delivery of a service improvement plan during this year. Haviland House, which has been undergoing an extensive service improvement programme received a 'Requires Improvement' grade from CQC, which was in line with our own internal and ongoing assessment process. The CQC report did not identify any new issues to us which were already in our service improvement plan.

Like all other social care organisations, Guild Care has been facing staff recruitment challenges in this financial year across all our services. This is a national issue and we took several actions to minimise the impact such as a retention bonus scheme, welcome payments for new staff

and bonus payments for staff working additional shifts. We have taken these actions, alongside a comprehensive wellbeing support programme for the team, and an additional focus at Senior Leadership level on both the management of our resources and the analysis of key performance indicators, at weekly review meetings.

Covid 19 remains a predominant feature of our organisational risks and we continue to adopt a robust approach to infection control procedures, but thankfully, throughout this year we have seen a reduction in cases and services less restricted in their ability to operate and more interaction with relatives and carers.

Message from the Chair

Guild Care has been at the forefront of supporting the community of Worthing since 1933. During that time we have faced many challenges, but the past year has probably been one of the most challenging yet.

Covid continues to have an impact on what we do. While we, thankfully, have not seen anything like the significant impact of the previous year, we are still mindful of operating in a Covid safe manner while dealing with the effects of the past two years.

Many of the people we have supported through our work to reduce social isolation in Worthing have been cut off from their friends and family, from their clubs and activities and from each other for so long that we are only just starting to understand the impact of this. Never has there been a more important time for Guild Care, as the leading social care provider in Worthing, to support people as we all look to life post-pandemic.

I am excited about our new 5-year strategy. Although the completion of this strategy has been inevitably delayed by the impacts of Covid on our team, we are in the process of building something which will see Guild Care move back towards being an organisation for the community, focused on real social impact in two distinct areas - aiming to reduce social isolation, and social stigma. Spear-heading this strategy will be Creating Connections, a community-based programme of activities for Older People in Worthing, which will be joined up with our other services for Older People, people with Learning Disabilities and People Living with Dementia.

As my term as Chair comes to an end, I wanted to share with you some reflections from my time at Guild Care. I have not only been a Trustee for seven years, including two years as Deputy Chair and three years as Chair, but also a user of Guild Care's services in the past year, as my mother-in-law spent her last year at Caer Gwent, where she was beautifully cared for. I am so proud of the organisation, in its ability to provide the most meaningful, loving care to the community of Worthing. Despite everything that Covid has thrown at us all, Guild Care has always been there, providing services of the highest quality throughout. We used technology where we could, we kept people as safe as we possibly could and maintained our support, where many other organisations had closed their doors. This speaks volumes about the values of the organisation.

Guild Care has changed significantly during my time as Chair and I am proud to say that there have been many improvements and much modernisation, in the past year especially. I would like to extend my deep gratitude to the Board of Trustees for their unwavering support and commitment in what has been an extraordinary period for the organisation, where their expertise has helped steer us.

One of my key objectives when I started as Chair was to develop a cohesive, united and effective Board of Trustees. The skills and experience of the current Board have enabled us to support the Senior Leadership Team to make the changes required. I would also like to thank the management team for their skill and dedication, which has been tested to the limit during this year, and of course to everyone who has supported Guild Care, from our wonderful volunteers to our important donors.

Message from the CEO

The past year has been a testing one to say the least, but I am exceptionally proud to report that we have made some significant progress on many different fronts as the leading local social care charity.

While we have been impacted by the national staffing shortages and ongoing operational challenges caused by the pandemic, we have made real progress in the past year in several key areas.

- We have redefined the organisational culture and working towards embedding values-based leadership behaviours and performance management. This programme of work is helping us to drive change as we create a culture of learning and continuous improvement.
- We have created our strategy map for the next five years, based on the vision that all people in need of care live fulfilling, safe and secure lives, and the mission that we will achieve this by ensuring our support and services are accessible, effective and lovingly delivered. This will deliver in two areas of social impact; reduced social isolation and reduced social stigma.
- We have launched our new social isolation service, Creating Connections, designed with the community and with the aim of reducing social isolation in Older People in Worthing. This programme will spearhead our work in the community over the next five years.
- We have created a new strategy to transform our work with adults and children with Learning Disabilities, including developing our work with people with complex needs, building on our respite offer and supporting people to access more joined up services and support.
- Our regulated care services have all benefited from an investment in our audit, compliance, and service improvement functions. This work has been supported and underpinned by our cultural transformation project to create a culture of performance and learning and continuous improvement.
- Our retail team continue to go from strength to strength, and through hard work, dedication and expertise have built a function which is contributing significantly to the charitable work of Guild Care.

I would like to take the opportunity to thank our staff team for the incredible effort and commitment they have displayed this year. Whatever is happening in the world, and no matter what challenges they face, they always have the best interests of our service users and customers at heart – something which is reflected across not only our services, but the wider organisation too.

I would also like to thank our volunteers, without whom we wouldn't be able to provide the life-changing services we have to so many people. Your time, expertise and commitment is hugely appreciated.

And finally, to our supporters. We are working to understand our social impact more in the next year, by creating an evaluation framework to determine the outcomes of what it is we do as a charity to reduce social isolation and social stigma with your support. I am really excited about being able to share this with you, as and when we start to see the results, but I have no doubt that what we do, we simply couldn't do it without you.

Financial Review of This Year

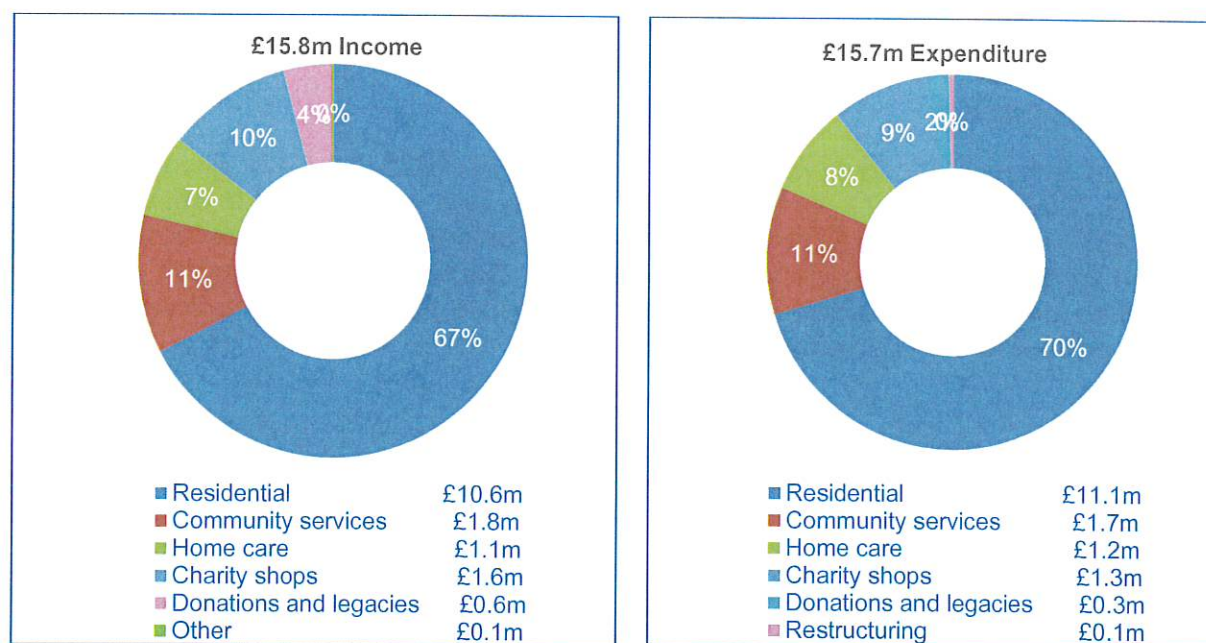
Summary

Total income for the year was £15,819,539 (2021: £16,210,035) which produced a surplus of £125,907 (2021: deficit of £1,055,624).

The income in 2022 has benefited from £517,539 (2021: £1,489,206) of grants received in response to the Covid-19 pandemic which includes the Retail and Hospitality Grant Scheme, Adult Social Care Infection Control and Testing Fund and the Coronavirus Job Retention Scheme.

The 2022 year has seen a reduction of only £390,496 in our total income from 2021 of £16,210,035 to the 2022 income of £15,819,539, despite the grants received in response to the Covid-19 pandemic falling £971,667 from 2021 of £1,489,206 to the 2022 grants of £517,539.

The charts below show a summary of our income and expenditure in 2022:



Staff costs decreased to £10,884,892 (2021: £12,402,944) and overall support costs relating to charitable activities decreased to £1,827,980 (2021: £1,846,885). The decreased costs in part due to lower one-off restructuring costs of £66,139 (2021: £389,264) related to redundancy and payments in lieu of notice.

The 2022 year has seen a significant increase of £1,283,252 in our net income from the 2021 deficit of £1,066,159 to the 2022 surplus of £217,093.

Overall funds were £8,559,064 (2021: £8,341,971) at year end.

Bank loans as at 31st March 2022 decreased to £8,756,545 (2021: £9,148,371).

Cash balances as at 31st March 2022 increased to £3,207,060 (2021: £2,975,815).

Raising Funds

Donations & Legacies

Total donations & legacy income was £639,790 (2021: £197,978) which included legacies of £465,167 (2021: £35,427) giving a surplus of £351,671 (2021: £41,474 deficit) when taking into account the cost of raising funds. Total donations and legacies included £78,217 (2021: £96,644) of restricted income.

Charity Shops

Total charity shop income of £1,630,124 (2021: £1,133,461) were generated across 10 shops which produced a surplus of £295,154 (2021: £106,074 surplus) after overheads. The sale of new bought in goods is recorded in Guild Care's subsidiary, Guild Care (Trading) Limited, which recorded turnover of £13,374 (2021: £20,989) for the year and generated a surplus of £74 (2021: £4,420). It should be noted that the purpose of our charity shops is to provide more than a financial return as they are an essential shop window promoting Guild Care within the local community.

Charitable Activities

Residential Services

Residential services income was £10,640,846 (2021: £11,883,847) giving a deficit of £406,896 (2021: £498,671 deficit). This income and surplus have been reduced by £1,853,593 (2021: £2,147,152) to fund residents at below full market rate fees including the provision of state funded beds within our homes. Continued investment in our homes is essential to ensure we generate a surplus allowing us to maintain financial stability and continue achieving our charitable objectives.

Home Care

Home Care income was £1,076,093 (2021: £1,186,668) giving a deficit of £158,863 (2021: £188,422).

Community Services

Income from Community Services for the year was of £1,804,042 (2021: £1,688,057) giving a surplus of £82,336 (2021: £163,891 deficit) after support costs.

Value for Money

The Board of Guild Care has put in place arrangements to ensure that the financial and social performance of our assets and resources are closely monitored and benchmarked and inform our decision making and strategy. Our strategic approach to value for money runs throughout the organisation. The Board approve business plans, budgets and KPIs. This supports the delivery of value for money and enables the Senior Leadership Team to monitor and report on progress throughout the year. This approach will ensure that as the organisation grows, we will continue to provide value for money throughout our operations.

Housing Metrics	2022	2021
Metric 1 - Re-investment %	0%	9%
Metric 2 - New supply delivered %	0%	0%
Metric 3 - Gearing %	0%	0%
Metric 4 - EBITDA MRI Interest Cover %	417%	36%
Metric 5 - Social housing cost per unit	6,545	7,151
Metric 6 - Operating Margin %	3%	(2%)
Metric 7 - VfM Cost Chain	3%	(2%)

Bank Funding

Clydesdale Bank provides Guild Care with long-term loans totalling £8,756,545 (2021: £9,148,371) at year end.

Guild Care has three existing long-term loan facilities each of which requires re-financing every five years. During the year these loans were reduced by £391,826 in-line with agreed repayment terms.

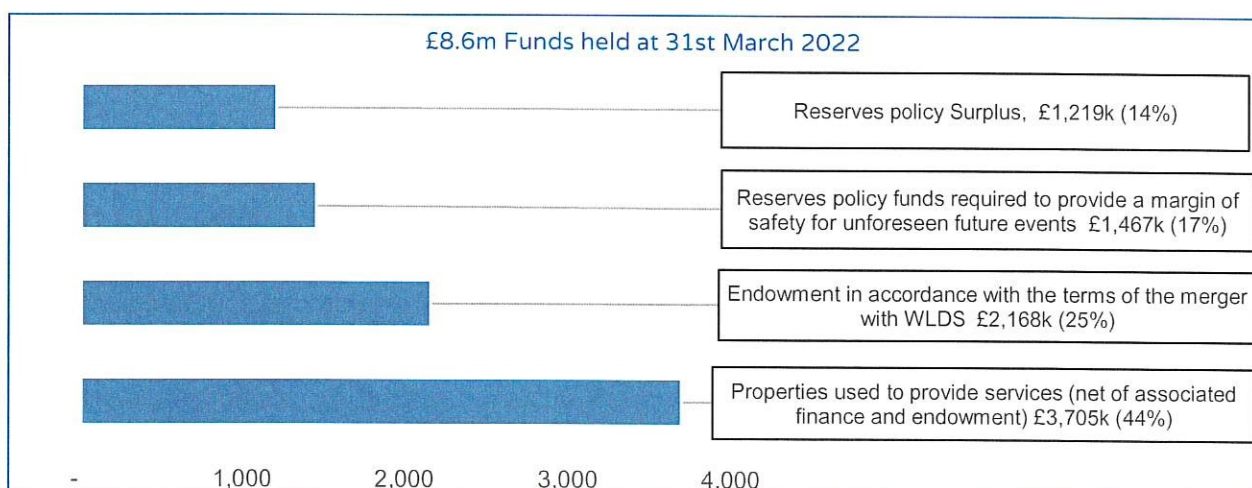
On the 26th March 2021, £1,000,000 of funds were drawdown under the Coronavirus Business Interruption Loan (CBIL). The CBIL is a two-year loan facility where the £1,000,000 balance is repayable on 26th March 2023. The CBIL loan did not incur arrangement fees, will not incur interest charges during the first year and can be settled early without incurring penalty fees. The CBIL scheme has been used to provide Guild Care with increased liquidity whilst trading performance recovers back to pre-Covid-19 pandemic levels.

Reserves Policy

Guild Care's reserves policy is to hold free reserves in the range between the budgeted running cost of the charity's highest surplus generating service for a period of three months and one month of the total budgeted running costs for the entire charity.

Free reserves are unrestricted funds arising from short-term debtors and creditors, highly liquid investments and readily available cash balances.

As at 31st March 2022, Guild Care has £8,559,064 (2021: £8,341,971) funds of which:



The Trustees ordinarily target that the charity's reserves policy surplus should not exceed 20% of the safe level of funds.

At 31st March 2022 the charity's reserves policy surplus was £1,219,492 (2021: £1,235,240) representing 83% (2021: 96%) of the safe level of funds. The Trustees have increased the level of free reserves to support the recovery in trading performance back to pre-Covid-19 pandemic levels by:

- Reduction in the capital investment in the property estate. The purchase of tangible fixed assets was £228,042 (2021: £105,205).
- Drawdown of £1,000,000 under the CBIL scheme.

At 31st March 2022 the charity's reserves policy surplus excluding the short-term CBIL would have been £219,492 (2021: £235,240) representing £15% (2021: 18%) of the safe level of funds.

Principal risks include those around the group's access to finance, occupancy and staffing levels within homes. The group has in place debt facilities which provide adequate resources to finance committed reinvestment and development programmes, along with the group's day to day operations. The group also has a long-term business plan and a detailed rolling financial forecast which shows that Guild Care is able to service these debt facilities whilst continuing to comply with lenders' covenants for the foreseeable future (being 12 months from the date of signing the financial statements).

This year Trustees have considered the impact on the contribution generated from the homes whilst performance returns to normal operating levels following the Covid-19 pandemic during the foreseeable future of the next twelve months from the date of signing the financial statements.

The assets of the group have a market value significantly greater than the book value and with a loan to value ratio being only 25% on 31st March 2022. Based upon the strong financial performance of Guild Care before the Covid-19 crisis and the availability of security, the Trustees believe that the group would be able to take mitigating actions, borrow further funds and/or dispose of assets in the unlikely event that these were needed in the short-term.

Having considered the impacts of the Covid-19 pandemic experienced to date on Guild Care's reserves, availability of finance, risks facing the sector and plans including budgets and forecasts, the trustees are satisfied with the level of reserves and have concluded that Guild Care is a going concern over the foreseeable future. On the basis that Trustees do not believe there is a material uncertainty over the going concern of Guild Care, the financial statements have been prepared on the going concern basis.

Statement of disclosure of information to auditors

So far as each of the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Statement of Trustees' responsibilities

The Trustees, who are also the Directors of Guild Care for the purpose of company law, are responsible for preparing the Trustees' Report (including the Strategic Report) and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for the group 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 year. In preparing these accounts, the Trustees are required to:

- ✓ select suitable accounting policies and then apply them consistently;
- ✓ observe the methods and principles of the housing SORP;
- ✓ make judgments and estimates that are reasonable and prudent;
- ✓ state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ✓ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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.

Approval of the Trustees' Report and the Strategic Report by the Board on 28 October 2022.

Peter Kinsey (Chair)
Trustee



Independent Auditor's Report to the Members of Guild Care

Opinion

We have audited the financial statements of Guild Care (the 'charitable company') and its subsidiary (the 'Group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Reserves, the Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state on the Group's and the charitable company's affairs as at 31 March 2022 and the Group's 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing from April 2022.

Basis for opinion

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

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 Group or 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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 our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of Guild Care for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008 and other laws and regulation applicable to a registered social housing provider in England. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Group for fraud. The laws and regulations we considered in this context for the UK operations were requirements imposed by the Regulator of Social Housing and the Care Quality Commission (CQC), health and safety legislation, taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence, designing audit procedures over the timing of income and reading minutes of meetings of those charged with governance.

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 (irregularities) 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 irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to Guild Care'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 Guild Care's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Guild Care and Guild Care's members as a body, for our audit work, for this report, or for the opinions we have formed.



Julia Poulter
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
55 Ludgate Hill
London
EC4M 7JW
Date: 3rd November 2022

Consolidated Statement of Financial Activities

	Notes	Unrestricted £	Restricted £	Endowment	Total 2022 £	Total 2021 £
Income from:						
Raising funds						
Donations and legacies	3	561,573	78,217	-	639,790	197,978
Charity shops income	4	1,630,124	-	-	1,630,124	1,133,461
Total Raising funds		2,191,697	78,217	-	2,269,914	1,331,439
Charitable activities	5	12,785,833	735,148	-	13,520,981	14,758,572
Investment income		2,788	-	-	2,788	3,621
Other income		25,856	-	-	25,856	115,145
Surplus/(loss) on sale of tangible fixed assets		-	-	-	-	1,258
Total income		15,006,174	813,365	-	15,819,539	16,210,035
Expenditure on:						
Raising funds						
Donations and legacies		288,119	-	-	288,119	239,452
Charity shops income		1,334,970	-	-	1,334,970	1,027,387
Total Raising funds		1,623,089	-	-	1,623,089	1,266,839
Charitable activities		13,191,039	813,365	-	14,004,404	15,609,556
Restructuring costs		66,139	-	-	66,139	389,264
Total expenditure	6	14,880,267	-	-	15,693,632	17,265,659
Net income/(expenditure)		125,907	-	-	125,907	(1,055,624)
Other gains / (losses)						
Actuarial gains / (losses) on pension scheme		91,186	-	-	91,186	(10,535)
Transfers between funds		309,663	-	(309,663)	-	-
Net movement in funds		526,756	-	(309,663)	217,093	(1,066,159)
Fund balances brought forward		5,864,672	-	2,477,299	8,341,971	9,408,130
Fund balances carried forward		6,391,428	-	2,167,636	8,559,064	8,341,971

The Statement of Financial Activities has been prepared using the format from the Charities SORP. The Statement of Financial Activities has been presented in addition to the Statement of Comprehensive Income required by the Housing SORP.

Total comprehensive income for the company only was £217,019 (2021: total comprehensive expenditure £1,070,579).

Consolidated Statement of Comprehensive Income

	2022 £	2021 £
Turnover	15,816,751	16,205,156
Operating costs	(15,318,072)	(16,556,435)
Operating surplus / (deficit)	498,679	(351,279)
Restructuring costs	(66,139)	(389,264)
Gain on disposal of fixed assets	-	1,258
Interest receivable and similar income	2,788	3,621
Interest and financing costs	(309,421)	(319,960)
Surplus / (deficit) for year	125,907	(1,055,624)
Actuarial gain / (loss) in respect of pension scheme	91,186	(10,535)
Total comprehensive income / (expenditure)	217,093	(1,066,159)

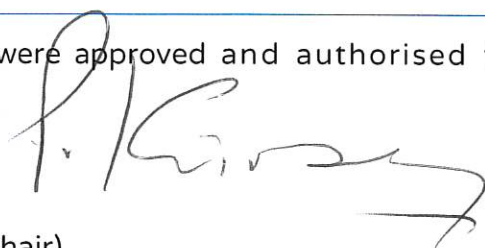
Consolidated Statement of Changes in Reserves

	Unrestricted Reserve £'000	Restricted Reserve £'000	Endowment £'000	Total £'000
Balance as at 1 April 2020	6,621,168	-	2,786,962	9,408,130
Total comprehensive income for the year	(1,066,159)	-	-	(1,066,159)
Transfer of restricted expenditure from unrestricted reserves	309,663	-	(309,663)	-
Balance at 31 st March 2021	5,864,672	-	2,477,299	8,341,971
Total comprehensive income for the year	217,093	-	-	217,093
Transfer of restricted expenditure from unrestricted reserve	309,663	-	(309,663)	-
Balance at 31 st March 2022	6,391,428	-	2,167,636	8,559,064

Balance Sheet

	Notes	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Fixed assets					
Tangible assets	12	14,945,718	14,945,718	15,485,722	15,485,722
Investments	13	-	100	-	100
		<u>14,945,718</u>	<u>14,945,818</u>	<u>15,485,722</u>	<u>15,485,822</u>
Current assets					
Stocks		2,151	-	2,529	-
Debtors	14	867,462	896,596	972,733	1,002,319
Cash and cash equivalents		3,207,060	3,189,748	2,975,815	2,958,503
		<u>4,076,673</u>	<u>4,086,344</u>	<u>3,951,077</u>	<u>3,960,822</u>
Creditors: amounts falling due within one year	15	(2,793,393)	(2,793,393)	(1,817,930)	(1,817,930)
Net current assets/(liabilities)		1,283,280	1,292,951	2,133,147	2,142,892
Total assets less current liabilities		16,228,997	16,238,769	17,618,869	17,628,714
Creditors: amounts falling due after more than one year	16	(7,630,350)	(7,630,350)	(9,101,968)	(9,101,968)
Provision	17	(39,584)	(39,584)	(174,930)	(174,930)
Net assets		8,559,064	8,568,835	8,341,971	8,351,816
Reserves					
Endowed reserve	18	2,167,636	2,167,636	2,477,299	2,477,299
Unrestricted reserve	18	6,391,428	6,401,199	5,864,672	5,874,517
		<u>8,559,064</u>	<u>8,568,835</u>	<u>8,341,971</u>	<u>8,351,816</u>

The accounts were approved and authorised for issue by the Board on 28 October 2022.



Peter Kinsey (Chair)
Trustee

Statement of Cash Flows

	2022 £	2021 £
Cash flows from operating activities:		
Net income / (expenditure) for the year	217,093	(1,066,159)
Adjustments for:		
Interest received	(2,788)	(3,621)
Depreciation	768,046	880,053
(Gain) on disposal of fixed assets	-	(1,258)
Decrease / (increase) in stock	378	10,423
Decrease / (increase) in debtors	105,271	(80,887)
Increase / (decrease) in creditors	(104,329)	223,053
(Decrease) in pension provision	(135,346)	(32,338)
Net cash provided by / (used in) operating activities	848,325	(70,734)
Cash flows from investing activities:		
Interest received	2,788	3,621
Purchase of tangible fixed assets	(228,042)	(105,205)
Proceeds from sales of tangible fixed assets	-	2,750
Net cash used in investing activities	(225,254)	(98,834)
Cash flows from financing activities:		
Cash inflows from new borrowings	-	1,000,000
Repayment of borrowings	(391,826)	(359,920)
Net cash used in financing activities	(391,826)	640,080
Change in cash and cash equivalents in the reporting period	231,245	470,512
Cash and cash equivalents at the beginning of the reporting period	2,975,815	2,505,303
Cash and cash equivalents at the end of the reporting period	3,207,060	2,975,815

Notes to the Accounts

1 Statutory information

Guild Care is a charitable company, limited by guarantee, registered in England and Wales and is a registered provider. The charitable company's registered number and registered office address can be found in the Trustees' Report (incorporating the Strategic Report).

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, The Accounting Direction for Private Registered Providers of Social Housing from April 2022, the Statement of Recommended Practice for Registered Social Landlords (Housing SORP 2018 Update), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Guild Care meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

These financial statements consolidate the results of the charity and its wholly owned subsidiary; Guild Care (Trading) Ltd, on a line-by-line basis. All intragroup transactions, balances, income and expenses are eliminated in full on consolidation. A separate Statement of Comprehensive Income or Cash Flows for the company itself is not presented because the charity has taken advantage of the exemptions afforded by the Companies Act 2006 and the Housing SORP.

2.2 Going concern

The group's business activities, its current financial position and factors likely to affect its future development are set out within the Strategic Report. Principal risks include the impact on the contribution generated from the homes whilst performance returns to normal operating levels following the Covid-19 pandemic, group's access to finance, occupancy and staffing levels within homes. The group has in place debt facilities which provide adequate resources to finance committed reinvestment and development programmes, along with the group's day to day operations. The group also has a long-term business plan and a detailed rolling financial forecast which shows that Guild Care is able to service these debt facilities whilst continuing to comply with lenders' covenants for the foreseeable future (being 12 months from the date of signing the financial statements).

On this basis, the Board has concluded that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

2.3 Income

Income from residential, home care and community services are accounted for on an accrual's basis. Income received for the provision of services is recognised in the year in which the service is provided, and so Guild Care earns entitlement. Government grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received.

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the association is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability. Capital grants are released to the Statement of Comprehensive Income over the useful economic life of the asset they were used to purchase (excluding land).

For legacies, entitlement is recognised from the earlier of the date of receipt or when sufficient notification is received by the charity to enable it to quantify its entitlement with reasonable probability. Income is not recognised for legacies which remain subject to a life interest. Donations are recognised on receipt.

Charity shop income represents net invoiced sales of goods and is recognised in the year in which the sale occurred. Rental income is recognised in the year in which accommodation is provided.

2.4 Financial instruments

Guild Care has only financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially reported at transaction value and subsequently measured at their settlement value.

2.5 Expenditure

Expenditure is included in the Statement of Comprehensive Income on an accruals basis inclusive of irrecoverable VAT. All costs are allocated between expenditure categories and departments on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, whilst all others are apportioned on an appropriate basis.

Support costs include apportioned staff and care costs incurred to support income generation and governance, together with the cost of general management including supervision, finance, training, human resources and IT. Support costs are allocated to charitable activities on a percentage basis. The percentages applied are based on management's informed view of time spent on each activity.

Governance costs comprise those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost. Guild Care owns three freehold nursing homes, a freehold social housing property, two day-service centres, a supported living house and five self-contained flats. Freehold land is not depreciated.

Building Structure	1-2% straight line per annum
Building Roof	2% straight line per annum
Building Internals	3% straight line per annum
Building Services	3% straight line per annum
Building External Areas	3% straight line per annum
Leasehold property	Over the remaining term of lease
Fixtures, fittings & equipment	20% straight line per annum
Motor vehicles	25% on a reducing balance basis/20% straight line per annum

Assets costing less than £1,000 are written off to the Statement of Comprehensive Income. Assets under construction are not depreciated until the asset is brought into use. Gains or losses arising on the disposal of other tangible fixed assets are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised as part of the surplus/deficit for the year.

2.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

2.8 Investments

Listed fixed asset investments are stated at market value, unlisted investments are stated at cost. Realised and unrealised gains and losses on investments are dealt with in the Statement of Comprehensive Income.

2.9 Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The Trustees seek to use short and medium-term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.11 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third

party and the amount due to settle the obligation can be measured or estimated reliably. Short term trade creditors are measured at the transaction price. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Pensions

The group participates in two pension schemes, the People's Pension Scheme and the Pension's Trust Growth Plan. Guild Care automatically enrolls employees into the People's Pension Scheme which is regulated by the Pensions Regulator. The Scheme is a defined contribution scheme and contributions are recognised in expenditure as they fall due. Guild Care is a member of the Pensions Trust's Growth Plan. The Growth Plan is a money purchase pension scheme which also has some historical guarantees. This is a multi-employer pension scheme for which it is not possible to identify separately the assets and liabilities of participating employers and, as such, Guild Care's regular payments in respect of this plan are charged in the Statement of Comprehensive Income on a defined contribution basis. A liability is recognised for the present value of agreed additional contributions payable to fund a deficit in this plan related to past service.

2.13 Funds

Endowment funds represent expendable endowment arising from the donation of assets and liabilities from WLDS to Guild Care. The expendable endowment can be used at the discretion of Guild Care's Trustees subject to the terms and conditions surrounding the donation. Restricted funds represent those raised or received for specified purposes, as detailed further in the notes to the accounts. Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts. Unrestricted general funds are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

2.14 Significant accounting estimates and judgements

The Trustees do not consider there to be any significant management judgements made in applying the accounting policies of the Group that have a significant effect on the financial statements. The most significant estimates and judgements relate to the useful economic life of Guild Care's three nursing homes and a social housing property. There is also a degree of estimation used in the rate used to discount Guild Care's pension liability under the Pensions Trust Growth Plan. The accounting policies for the pension liability and useful life of tangible fixed assets are set out above.

3 Donations & legacies

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Donations	172,247	2,376	174,623	162,551
Legacies receivable	389,326	75,841	465,167	35,427
	<u>561,573</u>	<u>78,217</u>	<u>639,790</u>	<u>197,978</u>

4 Charity shop trading

	2022 £	2021 £
Charity shops income	1,630,124	1,133,461
Charity shop expenditure	(1,334,970)	(1,027,387)
Charity shop surplus	<u>295,154</u>	<u>106,074</u>

Included in the above is £13,374 (2021: £20,989) income and £13,206 (2021: £16,421) expenditure in relation to the subsidiary Guild Care (Trading) Limited.

5 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Residential home	10,354,560	286,286	10,640,846	11,883,847
Home care	980,172	95,921	1,076,093	1,186,668
Community services	1,451,101	352,941	1,804,042	1,688,057
	<u>12,785,833</u>	<u>735,148</u>	<u>13,520,981</u>	<u>14,758,572</u>

Residential home income above is derived from Guild Care's three nursing homes.

Included in notes 4 and 5 above is £517,539 (2021: £1,489,206) of grants received in response to the Covid-19 pandemic which includes the Retail and Hospitality Grant Scheme, Adult Social Care Infection Control and Testing Fund and the Coronavirus Job Retention Scheme.

Included within Community services is income from Guild Care's social housing property Dolphin Court.

	2022			2021		
	Turnover £	Operating costs £	Operating surplus £	Turnover £	Operating costs £	Operating surplus £
Social housing lettings	306,313	(238,858)	67,455	313,798	(258,051)	55,747

An analysis of income and expenditure is shown in Note 21.

All income other than from Dolphin Court (see Note 21) is considered to arise from activities other than social housing.

6 Total expenditure

	Staff costs £	Other Costs £	Interest Charges £	Deprec- iation £	Total 2022 £	Total 2021 £
Raising funds						
Donations and legacies	195,553	84,911	924	6,731	288,119	239,452
Charity shops	768,672	519,246	1,154	45,898	1,334,970	1,027,387
Total cost of raising funds	964,225	604,157	2,078	52,629	1,623,089	1,266,839
Charitable activities						
Residential services						
Activities undertaken directly	6,969,695	1,963,595	286,332	525,588	9,745,210	11,071,504
Support costs	707,114	537,321	15,469	42,628	1,302,532	1,311,014
Total	7,676,809	2,500,916	301,801	568,216	11,047,742	12,382,518
Home care						
Activities undertaken directly	931,487	105,321	-	-	1,036,808	1,168,251
Support costs	99,742	82,402	3,002	13,002	198,148	206,839
Total	1,031,229	187,723	3,002	13,002	1,234,956	1,375,090
Community services						
Activities undertaken directly	1,031,537	275,905	-	86,964	1,394,406	1,522,916
Support costs	114,953	162,571	2,540	47,236	327,300	329,032
Total	1,146,490	438,476	2,540	134,200	1,721,706	1,851,948
Total charitable activities	9,854,528	3,127,115	307,343	715,418	14,004,404	15,609,556
Restructuring cost	66,139	-	-	-	66,139	389,264
Total Expenditure	10,884,892	3,731,272	309,421	768,047	15,693,632	17,265,659

Support costs are allocated in proportion to direct costs.

7 Analysis of governance and support costs

	Total 2022 £	Total 2021 £
Management	250,931	231,809
Administration	220,363	209,194
Information Technology	279,227	290,344
Human Resources	406,608	449,124
Public Relations	238,232	207,513
Finance	219,855	230,651
Volunteers	33,969	33,636
Governance costs	178,795	194,614
	<u>1,827,980</u>	<u>1,846,885</u>

8 Total comprehensive income / (expenditure) is stated after charging / (crediting)

	2022 £	2021 £
Operating lease payments	309,262	298,558
Depreciation of care homes and social housing property	547,184	664,148
Depreciation of other tangible fixed assets	220,862	215,905
Interest charges	309,421	319,960
Fees payable to auditors (excluding VAT)		
Audit of the financial statements	22,050	21,000
Other services	-	-
	<u>-</u>	<u>-</u>

9 Trustees

During the year Trustees were reimbursed travel expenses £Nil (2021: £Nil)

10 Employees

	Total 2022 £	Total 2021 £
Employment costs		
Wages and salaries	8,935,723	9,938,852
Agency costs	1,001,324	1,098,010
Social security costs	703,143	764,683
Other pension costs	178,563	212,135
Restructuring costs	66,139	389,264
	<u>10,884,892</u>	<u>12,402,944</u>

The number of employees whose annual emoluments were £60,000 or more were:		
	2022 Number	2021 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	2	4
£80,001 - £90,000	-	1
£90,001 - £100,000	3	2
£100,001 - £110,000	-	1

The key management personnel of the charity comprise the Trustees, the Chief Executive Officer, Deputy Chief Executive Officer and Chief Financial Officer.

The total employee remuneration of the key management personnel of the Charity was £220,170 (2021: £357,672).

The highest paid executive was paid £113,361. The Chief Executive Officer does not have enhanced or special pension terms.

During the year Guild Care charged redundancy costs of £50,062 (2021:£ 187,564) and payments in lieu of notice of £16,077 (2021:£ 201,700) to 12 (2021:59) people totalling to £66,139 (2021: £389,264) restructuring costs. Redundancy and payment in lieu of notice of £Nil (2021: £ 64,728) were unpaid at 31st March 2022.

The average number of employees during the year was 495 (2021: 562) which equates to 327 FTE (2021: 385 FTE).

11 Taxation

The charitable company is registered as a Charity and all of its income falls within the exemptions under Part 11 of the Corporation Tax Act 2010.

12 Tangible fixed assets (Group & Charity)

	Freehold land & buildings £	Long leasehold property £	Short leasehold property £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost						
At 1 April 2021	16,852,109	1,252,422	390,772	4,060,491	462,356	23,018,150
Additions	6,778	8,413	-	212,851	-	228,042
Disposals			(147,092)	(38,147)		(185,239)
At 31st March 2022	16,858,887	1,260,835	243,680	4,235,195	462,356	23,060,953
Depreciation						
At 1 April 2021	3,324,754	311,388	232,250	3,321,612	342,424	7,532,428
On disposals			(147,092)	(38,147)		(185,239)
Charge for the year	338,452	24,536	48,736	321,399	34,923	768,046
At 31st March 2022	3,663,206	335,924	133,894	3,604,864	377,347	8,115,235
Net book value						
At 31st March 2022	13,195,681	924,911	109,786	630,331	85,009	14,945,718
At 31 st March 2021	13,527,355	941,034	158,522	739,879	119,932	15,485,722

The freehold land & buildings above relate to Guild Care's three nursing homes and one social housing property held for letting, Dolphin Court.

13 Fixed asset investments

Charity

	Guild Care (Trading) Limited £	Total £
Market value at 31 st March 2022	100	100
Historical cost		
At 31 st March 2022	100	100

Subsidiaries

At 31st March 2022, Guild Care had the following subsidiary:

Company	Country of Registration or incorporation	Class	Shares Held %
Guild Care (Trading) Limited	England & Wales	Ordinary	100

The turnover of the company for the period was £13,374 (2021: £20,989) was attributable to the sale of bought in goods. It had expenditure of £13,206 (2021: £16,421). It contributed £74 surplus (2021: £4,420 surplus) to the group and had net liabilities of £9,671 (2021: £9,745). Any profits of Guild Care (Trading) Limited are donated to Guild Care under gift aid. The registered office of Guild Care (Trading) Limited is the same as Guild Care.

14 Debtors

	Charity		Group	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors - fees due	433,284	555,722	433,284	555,722
Amounts due from subsidiary	29,134	29,586	-	-
Other debtors	71,925	19,113	71,925	19,113
Prepayments & accrued income	362,253	397,898	362,253	397,898
	<u>896,596</u>	<u>1,002,319</u>	<u>867,462</u>	<u>972,733</u>

Amounts due from subsidiaries represents £29,134 due from Guild Care (Trading) Limited.

15 Creditors: amounts falling due within one year

	Charity		Group	
	2022	2021	2022	2021
	£	£	£	£
Bank loan (note 16)	1,404,965	391,243	1,404,965	391,243
Trade creditors	411,040	466,133	411,040	466,133
Taxation and social security	197,865	168,966	197,865	168,966
Other creditors	612	3,112	612	3,112
Accruals & deferred income	778,911	788,476	778,911	788,476
	<u>2,793,393</u>	<u>1,817,930</u>	<u>2,793,393</u>	<u>1,817,930</u>

16 Creditors: amounts falling due after more than one year

	Charity		Group	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	7,351,580	8,757,128	7,351,580	8,757,128
Deferred capital grant	278,770	344,840	278,770	344,840
	<u>7,630,350</u>	<u>9,101,968</u>	<u>7,630,350</u>	<u>9,101,968</u>

	2022	2021
	£	£
Loan maturity analysis		
Debt due in one year or less	1,404,965	391,243
In more than one year but not more than two years	3,246,768	1,404,965
In more than two years but not more than five years	4,104,812	7,352,163
	<u>8,756,545</u>	<u>9,148,371</u>

The loans are secured by a fixed charge over the properties and by a fixed and floating charge over all the assets of Guild Care excluding the freehold property known as Dolphin Court and former WLDS properties. Interest on loans is charged at between 0% and 4.1%. The loans are repayable between March 2023 and November 2024.

	2022	2021
	£	£
Deferred Capital Grant		
At start of the year	410,912	476,984
Received during the year		
Released during the year	(66,072)	(66,072)
	<u>344,840</u>	<u>410,912</u>
Amounts to be released in one year	66,072	66,072
Amounts to be released in more than one year	278,770	344,840
	<u>344,842</u>	<u>410,912</u>

17 Pension and other post-retirement benefit commitments

Defined contribution

Following legislative changes affecting workplace pensions that required all employers to meet the legal requirement for automatic enrolment, Guild Care introduced a compliant scheme from November 2013. Eligible employees not already in the existing scheme were automatically enrolled into the People's Pension. The People's Pension scheme, which is regulated by the Pensions Regulator, is managed by B&CE. B&CE is a not for profit organisation which has been providing financial benefits for over 70 years and currently provides pension schemes to over 7,300 corporate clients.

Employees in the People's Pension scheme pay 5% on their salary above the minimum threshold, with Guild Care also contributing 3%. Employees automatically enrolled into the scheme have the right to opt out of the scheme if they so wish, the majority of employees enrolled in the scheme have not opted to leave.

Guild Care paid contributions 5% for all employees who are members of Guild Care's Pension's trust Growth plan. Members paid contributions at the rate of 5% during the accounting period. Any contribution above 5% was an additional voluntary contribution. In accordance with the Recovery Plan set by The Pensions Trust, employers are required to make additional contributions over the ten years commencing in April 2013.

	2022	2021
	£	£
Contributions payable by the company/group for the year	178,563	212,135

At the balance sheet date contributions of £24,371 (2021: £5,322) were outstanding.

The Pensions Trust Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme. The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities. Guild Care's share of these deficit contributions from 2022 to 2025 are £14,422 per annum (payable monthly).

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit.

Present value and reconciliation of opening and closing provisions	Period Ending 31 st March 22 £	Period Ending 31 st March 21 £
Provision at start of period	174,930	207,268
Unwinding of the discount factor (interest expense)	1,009	4,658
Deficit contribution paid	(44,267)	(42,978)
Remeasurements - impact of any change in assumptions	(910)	5,982
Remeasurements - amendments to the contribution schedule	(91,178)	-
Provision at end of period	<u>39,584</u>	<u>174,930</u>

Income and expenditure impact	Period Ending 31 st March 22 £	Period Ending 31 st March 21 £
Interest expense	1,009	4,658
Remeasurements – impact of any change in assumptions	(910)	5,982
Remeasurements – amendments to the contribution schedule	(91,178)	

Assumptions	31 st March 22 % per annum	31 st March 21 % per annum	31 st March 20 % per annum
Rate of discount	2.35	0.66	2.53

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

In 2021 Guild Care contributed £44,267 (2021: £42,978) in additional contributions towards the scheme. Guild Care's estimated pension contributions for the year ended 31st March 2023 are estimated to be £14,422.

18 Movement in funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2021	Income	Expenditure	Transfers /gains and losses	Balance at 31 st March 2022
Endowment fund					
WLDS Fund	2,477,299	-	-	(309,663)	2,167,636
Restricted funds					
Residential home	-	286,286	(286,286)	-	-
Home care	-	95,921	(95,921)	-	-
Outreach	-	54,216	(54,216)	-	-
Healthy Living	-	115,299	(115,299)	-	-
Dementia	-	105,974	(105,974)	-	-
Children's service	-	47,761	(47,761)	-	-
Learning Disabilities	-	29,691	(29,691)	-	-
Other	-	78,217	(78,217)	-	-
Total restricted	-	813,365	(813,365)	-	-
Unrestricted funds					
General funds	5,864,672	15,006,174	(14,880,267)	400,849	6,391,428
Total unrestricted	5,864,672	15,006,174	(14,880,267)	400,849	6,391,428
Total funds	8,341,971	15,819,539	(15,693,632)	91,186	8,559,064

Transfers between funds

The WLDS Fund was established following Worthing Littlehampton & District Scope (WLDS) joining the Guild Care Group. The expendable endowment can be used at the discretion of Guild Care's Trustees subject to the terms and conditions surrounding the donation.

	Balance at 1 April 2020	Income	Expenditure	Transfers /gains and losses	Balance at 31 st March 2021
Endowment fund					
WLDS Fund	2,786,962	-	-	(309,663)	2,477,299
Restricted funds					
Residential home	-	443,377	(443,377)	-	-
Home care	-	79,922	(79,922)	-	-
Outreach	-	128,561	(128,561)	-	-
Healthy Living	-	46,125	(46,125)	-	-
Dementia	-	121,129	(121,129)	-	-
Children's service	-	53,177	(53,177)	-	-
Learning Disabilities	-	16,053	(16,053)	-	-
Other	-	106,686	(106,686)	-	-
Total restricted	-	995,030	(995,030)	-	-
Unrestricted funds					
Designated funds	419,339	-	-	(419,339)	-
General funds	6,201,829	15,215,005	(16,270,629)	718,467	5,864,672
Total unrestricted	6,621,168	15,215,005	(16,270,629)	299,128	5,864,672
Total funds	9,408,130	16,210,035	(17,265,659)	(10,535)	8,341,971

Transfers between funds

The WLDS Fund was established following Worthing Littlehampton & District Scope (WLDS) joining the Guild Care Group. The expendable endowment can be used at the discretion of Guild Care's Trustees subject to the terms and conditions surrounding the donation.

Designated funds of £419,339 at 31st March 2021 that had been set aside to purchase the Methold House freehold and buildings were undesignated during the year, to increase the level of free reserves to support the recovery in trading performance back to pre-Covid-19 pandemic levels.

19 Analysis of net assets between funds

Fund balances at 31st March 2022 were represented by:

	Unrestricted funds £	Restricted funds £	Endowment £	Total £
Tangible fixed assets	12,778,082	-	2,167,636	14,945,718
Net current assets	1,270,280	13,000	-	1,283,280
Long-term creditors and provisions	(7,656,934)	(13,000)	-	(7,669,934)
	<u>6,391,428</u>	<u>-</u>	<u>2,167,636</u>	<u>8,559,064</u>

Fund balances at 31st March 2021 were represented by:

	Unrestricted funds £	Restricted funds £	Endowment £	Total £
Tangible fixed assets	13,008,423	-	2,477,299	15,485,722
Net current assets	2,118,882	14,265	-	2,133,147
Long-term creditors and provisions	(9,262,633)	(14,265)	-	(9,276,898)
	<u>5,864,672</u>	<u>-</u>	<u>2,477,299</u>	<u>8,341,971</u>

20 Commitments under operating leases

Charity and group

At 31st March 2022 the charity had total minimum lease commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2022 £	2021 £	2022 £	2021 £
Within one year	156,451	171,134	56,952	33,739
Between one and five years	236,303	109,553	131,915	10,247
In over five years	368,284	377,943	-	-
	<u>761,038</u>	<u>658,630</u>	<u>188,867</u>	<u>43,986</u>

21 Dolphin Court Flatlets – Social Housing Income and Expenditure

Guild Care operates 31 flats on a supported living basis which Guild Care consider to be social housing for the purposes of the Housing SORP.

	2022	2021
	£	£
Rent receivable	172,677	138,687
Services charge income	115,624	157,099
Amortisation of grant	18,012	18,012
Net rents receivable	306,313	313,798
Expenditure on lettings		
Services and management	188,830	199,731
Maintenance and repairs	20,624	29,112
Depreciation	29,404	29,208
Total expenditure on lettings	238,858	258,051
Operating surplus on lettings	67,455	55,747
Void losses	2,510	2,800

Social Housing Assets

The historic cost of Dolphin Court at 31st March 2022 was £1,528,619 (2021: £1,528,619), the net book value of Dolphin Court at 31st March 2022 was £285,258 (2021: £308,382).

The total of social housing rent arrears is £2,598 (2021: £5,727). Included within deferred income is £2,035 (2021: £2,642) of rent in advance for social housing properties.

