

Charity registration number: 1062023

JAH-JIREH CHARITY HOMES
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2023

JAH-JIREH CHARITY HOMES

CONTENTS

	Page
Charity reference and administrative details	1
Trustees' annual report	2
Independent auditor's report to the trustees	7
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14

The following pages do not form part of the financial statements:

Detailed statement of financial activities	27
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JAH-JIREH CHARITY HOMES

CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Jah-Jireh Charity Homes
Charity registration number	1062023
Trustees	P J Cutting R Jones C Stringer J Stacey - Chairman R Telles C Bland G Cockshott L Chadwick M Donnelly
Chief executive officer	M Donnelly
Registered office	317 Lytham Road Warton Preston PR4 1TE
Auditor	MHA Chartered Accountants & Statutory Auditors 14 Mannin Way Lancaster Business Park Lancaster LA1 3SW
Bankers	National Westminster Bank plc 13 Whitegate Drive Blackpool FY3 9AG
Solicitors	Roland Robinsons and Fentons 85-89 Adelaide Street Blackpool FY1 4LX

JAH-JIREH CHARITY HOMES

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2023

The trustees present their report and the audited financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Structure, governance and management

Governing document

Jah-Jireh Charity Homes is governed by a Trust Deed dated 1 April 1997 as amended by a supplemental deed dated 25 February 2005. The charity is registered under the name Jah-Jireh Charity Homes with the Charity Commission (charity number 1062023).

Recruitment, appointment, induction and training of trustees

The minimum number of trustees shall be four with no maximum number. The trustees must be a respected member of a Congregation of Jehovah's Witnesses and shall remain so and be in good standing. Trustees are appointed by a resolution of a meeting of the trustees. A memorandum of his appointment shall be signed by the persons present at such meeting and every new trustee, before acting in the trust of the deed must sign the minute book for which provision is made, a declaration of acceptance and of willingness to act in the trusts declared in the trust deed.

Whilst it is likely that our trustee appointments will be current or previous trustees of another charity and therefore have relevant experience, we nonetheless share with them the Charity Commission Trustee Welcome Pack, a copy of the Trust Deed, the current charity registration with the Charity Commission, copies of previous meeting minutes and background to the work of the charity. Further training will be considered as it is identified. The Trustees hold a range of professional qualifications including in accountancy, law and civil engineering.

Organisational structure

The trustees who served during the year are shown on page 1. The trustees meet at least twice a year. In addition, there are various committees that support the trustees. The current committees are Operations, Finance, Buildings, Legal, Media and International. The committees are made up of trustees and some head office staff. Day to day decisions are made by the Executive Committee and are assisted by staff at the head office and homes of the charity.

Related parties

The trustees provide advice and assistance to Jehovah's Witness communities internationally and at home, including direct visits to explain and replicate the Jah-Jireh Charity Homes experience.

JAH-JIREH CHARITY HOMES

TRUSTEES' ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 DECEMBER 2023

Risk management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen the risks.

Remuneration of key management personnel

The charity considers its key management personnel to comprise of an Executive Committee (consisting of Chief Executive Officer, Policy and Compliance Manager and Head of Finance) and the Home management of each location (consisting of the Registered Care Manager and the Business Manager). Remuneration of the Executive Committee is approved by a sub-committee of the Trustees. The Home management is set in reference with the market rate for the specific role and is reviewed annually by the Executive Committee.

Objectives and activities

Objects

The objects of the charity are:

- The provision of care facilities for Jehovah's Witnesses in good standing who have need of such facilities by reason of their age, infirmity or economic circumstances;
- The advancement of Christian religion as practised by Jehovah's Witnesses; and
- The relieving of Jehovah's Witnesses in hardship and/or distress.

Aims

The charity aims to continue its work in accordance with its charitable objects, so long as funding is available. It is looking to develop its existing portfolio of care homes as well as further development of land which is owned by the charity.

Objectives for the year

Each year the trustees review our objectives and activities to ensure they continue to reflect our aims. In carrying out this review the trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on public benefit and fee charging and the advancement of religion for the public benefit.

The trustees consider the beliefs and practises of the Christian religion, as practised by Jehovah's Witnesses, assist in the advancement of religion for the purposes of charity law, and promote morals and ethics of the Christian faith which can have a positive impact on society as a whole.

The charity's main objectives for the year were to:-

- Make places available for those members of the Jehovah's Witness community in need of such a provision on a full-time or respite basis;
- Progress analysis of any potential development sites that arise for a care home facility in the South-East of England;
- Continuing the programme of refurbishing existing homes, with particular emphasis on safety and enhancements to support staff training and the use of A/V for the use of spiritual activities.
- Improvements to the care provision to work towards and achieve improved ratings with the regulators.
- Continuing to manage the impact from infection outbreaks.

JAH-JIREH CHARITY HOMES

TRUSTEES' ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 DECEMBER 2023

Significant activities for achieving objectives

The charity is continuing to pursue the above objectives through actively seeking voluntary donation and maximising fee income through various initiatives. In addition, the introduction of technology to care planning and delivery, medications management, staff and agency rotas and a range of other administrative functions. Enhancements to support staff through an improved training and audit provision and provider oversight.

Volunteers

Due to the increasing demands on the charity, a program has been put in place to enable those who are able to volunteer their time to assist the homes. This can include assisting with small maintenance tasks at the homes or visiting the residents. All volunteers are given appropriate training and are not remunerated.

Achievements and performance

In December 2022, we successfully achieved government registration as an Overseas Sponsor. This will continue to help in the recruitment of more full-time staff.

Financial review

The statement of financial activities on page 11 (SOFA) shows net incoming resources of £16,149 (2022: £34,424). Occupancy of homes averaged 91.1% (2022: 93.1%).

During 2023, the income has increased roughly in line with fee uplifts of around 8-9%

A significant impact on staffing expenditure continues to be in relation to higher than expected agency requirements to cover staffing shortfalls. A number of measures have been introduced to reduce this area of expenditure.

Reserves policy

It is the policy of the charity to maintain unrestricted funds to cover any emergency repairs which may arise from time to time, together with utilising these with a view to developing additional facilities. The charity continues to build up reserves to provide subsidised places to those service users who cannot afford our full fees and have been refused funding from local authorities.

The amount of cash reserves held at the year ended 31 December 2023 is £2,183,750, which is held for the reasons stated above. The cash reserves are equivalent to just about five months expenditure, which the trustees consider to be reasonable for continued operations.

The total amount of funds held includes designated funds of £162,548. The designated funds comprise funds received towards the proposed new home in the South of England.

JAH-JIREH CHARITY HOMES

TRUSTEES' ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 DECEMBER 2023

We carried forward balances for committed LA grants. We still hold £49,136 which relates to grants received from Local Authorities. This relates to the monies designated for the safe visiting facilities that were put on hold in 2021, and re-started late 2023 for completion in 2024.

Principal funding sources

The charity's principal funding sources continue to be from local authority funding, residents' charges and voluntary donations.

With regard to fundraising no professional fundraising organisations are used in any of our activities. We do not solicit funds, all donations are voluntary. Payment methods offered include; card payment via Paypal online and over the telephone using a third party service; payroll giving; direct payment from banks and cash and cheques deposited in donation boxes within our homes, or sent to head office.

Plans for future periods

The charity plans to continue to provide a good standard of care, remunerate its staff appropriately and develop their skills as well as continuing to plan to develop other homes and sheltered accommodation/assisted living if this continues to be practicable. The charity plans to continue providing respite and charitably funded care beds through donated income. In addition, the Trustees will continue to assist and support other members of the international Jehovah's Witness community where and when such support is required. The cost of such support will remain entirely at the discretion of the Trustees.

The Charity plans to set up a Charitable Incorporated Organisation (CIO), with a current planned transfer date of assets and operational aspects of the current charitable trust of 31st December 2024.

Plans for Handling COVID Post - Pandemic

We have specific policies and procedures in place to manage infection control of the COVID and other virus outbreaks. The key risk from a financial perspective relate to a loss of income due to a higher number of deaths of residents or restrictions to admissions. All staff and the majority of residents have been vaccinated and will continue to be offered boosters this should reduce the risk to occupancy levels.

We have decided to continue bookable Respite from 2024 in our Merthyr home, and emergency respite in all other homes, if rooms are available.

We are confident in maintaining good levels of occupancy and being able to manage the potential increased costs following the Governments withdrawal of PPE support. The situation is being constantly monitored and reported to management weekly, monthly meetings are being held with the managers.

JAH-JIREH CHARITY HOMES

TRUSTEES' ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 DECEMBER 2023

Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

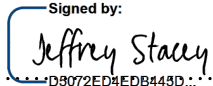
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Following the merger of MHA Moore & Smalley with MHA, the company's independent auditor has now become MHA.

A resolution to reappoint MHA as independent auditor will be proposed at the next Annual General Meeting.

On behalf of the board  Signed by: Jeffrey Stacey
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J Stacey - Chairman of the Board of Trustees

October 5, 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF

JAH-JIREH CHARITY HOMES

Opinion

We have audited the financial statements of Jah-Jireh Charity Homes (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the charity's financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)*.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 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 Charities Act 2011.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 ethical responsibilities in accordance with those 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

As explained in note 20, the trustees have expressed an intention to transfer the whole of the charitable trust into a 'Charitable Incorporated Organisation (CIO)'. In undertaking our going concern assessment, we have considered the application of the requirements of the accounting standard to the circumstances of the charity. As an unincorporated charity, this is not a separate legal entity and, as the intention is for the charitable activities to continue through the CIO, we have concluded that the trustees' use of the going concern basis in the preparation of the financial statements remains 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF

JAH-JIREH CHARITY HOMES

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' annual report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 6, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF

JAH-JIREH CHARITY HOMES

- enquiring of management and those charged with governance of any actual and potential litigation and claims;
- reviewing the financial statement disclosures and testing of supporting documentation to assess compliance with relevant laws and regulations. For Jah-Jireh Charity Homes we consider these to be the Charities Act 2011, Care Quality Commission (CQC) Regulations, Health and Safety at Work Act 1974 and Food Safety Act 1990. In addition, we consider compliance with employee legislation, as fundamental to the Charity's operations;
- assessing whether the judgements made in making accounting estimates are indicative of any potential bias;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- auditing the risk of fraud in income, including through performing transaction testing, cut off testing, by reviewing credit notes raised after the year end, and by re-calculating accrued and deferred income, to ensure income is complete in the financial statements and recognised in the correct accounting period; and
- auditing the risk that all of the income the Charity is entitled to in the year is not correctly stated in the accounts, through review of minutes of Trustee meetings, correspondence files and after date records, for any entitlement to donations/legacies at the year-end that are due to be received after the year end, and through performing an analytical review of income received to highlight unexpected variances.

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

MHA

MHA

Statutory Auditor

14 Mannin Way
Lancaster Business Park
Lancaster
LA1 3SW

October 14, 2024

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MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

JAH-JIREH CHARITY HOMES**STATEMENT OF FINANCIAL ACTIVITIES****YEAR ENDED 31 DECEMBER 2023**

	Note	Un- restricted funds £	Designated Funds £	Restricted Funds £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:						
Donations and legacies	2	139,632	1,784	-	141,416	179,120
Charitable activities						
<i>Rents received</i>		38,050	-	-	38,050	33,162
<i>Residents charges</i>		5,703,773	-	-	5,703,773	5,231,682
Investments						
<i>Interest – savings accounts</i>		74,309	-	-	74,309	21,659
Other income						
<i>Covid payments from Councils</i>		-	-	-	-	2,420
<i>Infection Control Fund</i>		1,352	-	-	1,352	68,000
<i>Wales Care Worker Support</i>		-	-	-	-	51,983
Total income and endowments		5,957,116	1,784	-	5,958,900	5,588,026
Expenditure on:						
Charitable activities	3	5,929,385	-	13,366	5,942,751	5,553,602
Total expenditure		5,929,385	-	13,366	5,942,751	5,553,602
Net income/(expenditure)		27,731	1,784	(13,366)	16,149	34,424
Transfers between funds		-	-	-	-	-
Net movement in funds		27,731	1,784	(13,366)	16,149	34,424
Reconciliation of funds:						
Total funds brought forward		5,806,959	160,764	62,502	6,030,225	5,995,801
Total funds carried forward		5,834,690	162,548	49,136	6,046,374	6,030,225

All income and expenditure derive from continuing activities.

All gains and losses recognised in each period are included above.

The notes on pages 14 to 27 form part of these financial statements.

JAH-JIREH CHARITY HOMES

BALANCE SHEET

31 DECEMBER 2023

	Note	2023	2022
		£	£
Fixed assets			
Tangible assets	10	6,779,846	6,879,600
Current assets			
Stocks	11	1,950	1,950
Debtors	12	319,914	294,981
Saving accounts		1,945,834	2,012,802
Cash at bank and in hand		237,916	353,189
		2,505,614	2,662,922
Creditors: amounts falling due within one year	13	(701,786)	(721,141)
Net current assets		1,803,828	1,941,781
Total assets less current liabilities		8,583,674	8,821,381
Creditors: amounts falling due after more than one year	14	(2,537,300)	(2,791,156)
Net assets		6,046,374	6,030,225
Charity Funds			
Unrestricted funds		5,834,690	5,806,959
Designated funds		162,548	160,764
Restricted funds		49,136	62,502
Total charity funds	16	6,046,374	6,030,225

These financial statements were approved and authorised for issue by the board of trustees onOctober 5, 2024

Signed on behalf of the board of trustees

Signed by:


J Stacey – Chairman

The notes on pages 14 to 27 form part of these financial statements

JAH-JIREH CHARITY HOMES**STATEMENT OF CASH FLOWS****YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	£	£
Reconciliation of net income to net cash flow from operating activities		
Net income for the year	16,149	34,424
Depreciation of tangible fixed assets	252,583	238,428
Surplus on sale of tangible fixed assets	-	-
(Increase) / decrease in debtors	(24,933)	(130,532)
(Increase) / decrease in creditors	(33,211)	95,262
Net cash flow from operating activities	210,588	237,582
Cash flow from investing activities		
Receipts from sale of tangible fixed assets	-	-
Payments to acquire tangible fixed assets	(152,829)	(145,632)
Net cash flow from investing activities	(152,829)	(145,632)
Cash flow from financing activities		
Proceeds of new long-term loan	-	3,100,000
Repayment of long-term loans	(240,000)	(3,378,581)
Net cash flow from financing activities	(240,000)	(278,581)
Net (decrease)/increase in cash and cash equivalents	(182,241)	(186,631)
Cash and cash equivalents at 1 Jan	2,365,991	2,552,622
Cash and cash equivalents at 31 Dec	2,183,750	2,365,991
Cash and cash equivalents consists of:		
Savings accounts	1,945,834	2,012,802
Cash at bank and in hand	237,916	353,189
Cash and cash equivalents at 31 Dec	2,183,750	2,365,991

The notes on pages 14 to 27 form part of these financial statements

JAH-JIREH CHARITY HOMES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

1 Summary of significant accounting policies

General information and basis of preparation

Jah-Jireh Charity Homes is a registered charity in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are detailed on page 3 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

As explained in note 20 'Charitable Incorporated Organisation conversion' to the financial statements the charity has expressed an intention to, subject to finalising an impact assessment, transfer the whole of the charitable trust into a 'Charitable Incorporated Organisation (CIO). As an unincorporated charity, this is not a separate legal entity and, as the intention is for the charitable activities to continue through the CIO the accounts continue to be prepared on a going concern basis.

The Trustees do not consider there to be a material uncertainty at this time, and there is a reasonable expectation that the Charity has adequate resources to continue for the foreseeable future.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

JAH-JIREH CHARITY HOMES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

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

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Wherever possible residents are charged a full fee, subject to the availability of local authority funding and the use of charitable donations where residents and their families are not able to afford fees.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes residential home care costs; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

JAH-JIREH CHARITY HOMES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises overheads have been allocated on an insert detail basis and other overheads have been allocated on an insert detail basis.

The analysis of these costs is included in note 5.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended:

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Freehold land and buildings - Nil on land, 2% of cost of buildings
- Leasehold land and buildings - 2% on cost
- Plant, equipment and fixtures - 20% - 33% on cost per annum
- Motor vehicles - 25% of reducing balance

Investments

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

Stocks

Stocks consist of consumables and are stated at the lower of cost and net realisable value.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

JAH-JIREH CHARITY HOMES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

Concessionary loans

Concessionary loans include those payable to a third party which are interest free or below market interest rates and are made to advance charitable purposes. Where the loan is repayable on demand within one year, the loan is measured at cost, less impairment. Where the loan is repayable after more than one year, the loan is initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method, less impairment.

Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes.

JAH-JIREH CHARITY HOMES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

2 Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key assumptions, judgements and estimates

In the opinion of the Trustees' there have been no significant judgements (apart from those involving estimates) made in the process of applying the above accounting policies.

There have been no key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Income from donations and legacies

	Unrestricted funds	Designated funds	Restricted funds	Total 2023
Gifts	117,502	1,784	-	119,286
Legacies	22,130	-	-	22,130
	139,632	1,784	-	141,416
	Unrestricted funds	Designated funds	Restricted funds	Total 2022
Gifts	75,117	1,854	-	76,971
Legacies	102,149	-	-	102,149
	177,266	1,854	-	179,120

JAH-JIREH CHARITY HOMES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

4 Analysis of expenditure on charitable activities

	Staff Costs	Depreciation	Support costs	Total funds
Residential home care costs - 2023	<u>3,325,451</u>	<u>252,583</u>	<u>2,364,717</u>	<u>5,942,751</u>
Residential home care costs - 2022	<u>3,021,130</u>	<u>238,428</u>	<u>2,294,044</u>	<u>5,553,602</u>

Expenditure on charitable activities was £5,942,751 (2022: £5,553,602) of which £5,929,385 (2022: £5,394,021) was attributable to general unrestricted funds, £nil (2022: £nil) was attributable to designated funds and £13,366 (2022: £159,581) was attributable to restricted funds.

5 Allocation of support costs

	Residential home care costs 2023 £	Total funds 2023 £	Residential home care costs 2022 £	Total funds 2022 £
Governance	30,973	30,973	27,362	27,362
Finance	182,434	182,434	138,180	138,180
Residents costs	1,332,754	1,332,754	1,405,983	1,405,983
Property costs	699,780	699,780	570,784	570,784
Office costs	118,776	118,776	151,735	151,735
	<u>2,364,717</u>	<u>2,364,717</u>	<u>2,294,044</u>	<u>2,294,044</u>

6 Governance costs

	2023 £	2022 £
Audit fees	17,338	15,025
Accountancy and advisory fees	6,290	4,468
Professional indemnity insurance	6,485	6,794
Board of Trustees' meeting expenses	<u>860</u>	<u>1,075</u>
	<u>30,973</u>	<u>27,362</u>

JAH-JIREH CHARITY HOMES**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2023**

7 Net income for the year

Net income is stated after charging / (crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	252,583	238,428
Operating lease rentals	42,025	39,520

8 Auditor's remuneration

The auditors' remuneration of £23,628 (2022: £19,493) comprised £17,338 relating to audit services (2022: £15,025) and £6,290 (2022: £4,468) relating to accountancy and other services.

9 Trustees' and key management personnel remuneration and expenses

During the year Mr M Donnelly, received remuneration and benefits in kind totalling £44,512 (2022: £33,658). Additionally, amounts totalling £24,804 (2022: £20,272) were paid to family members of Mr M Donnelly. During the year Mr J Stacey received remuneration and benefits in kind totalling £12,936 (2022: £12,480).

Legal authority to make such payments to Trustees is contained in the charity's Trust Deed.

The total amount of employee benefits received by key management personnel is £363,146 (2022: £304,534). The charity considers its key management personnel comprise of the chief executive officer, chair of trustees/property asset manager, finance manager, training & policy manager, and the business and care managers from each of the four homes.

None of the trustees are accruing pension arrangements (2022: none).

The reimbursement of trustees' expenses was as follows:

	2023	2022	2023	2022
	No.	No.	£	£
Travel	4	4	1,049	994
Subsistence	-	1	-	127
Accommodation	-	1	-	150
Other	-	-	-	-
	4	6	1,049	1,271

Included above are £nil (2022: £nil) which have been paid directly to third parties.

JAH-JIREH CHARITY HOMES**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2023**

10 Staff costs and employee benefits

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

	2023 No.	2022 No.
Charitable activities	<u>188</u>	<u>177</u>
	188	177

During the year, there was an average of 48 full-time employees (2022: 41), 140 part-time employees (2022: 136) and 120 full-time equivalent employees (2022: 116).

The total staff costs and employees benefits were as follows:

	2023 £	2022 £
Wages and salaries	3,067,843	2,781,943
Social security	207,961	194,985
Defined contribution pension costs	<u>49,646</u>	<u>44,202</u>
	3,325,451	3,021,130

No employees received total employee benefits (excluding employer pension costs) of more than £60,000 in either the current or previous year.

JAH-JIREH CHARITY HOMES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

11 Tangible fixed assets

	Freehold land and buildings	Long Leasehold land & buildings	Plant equipment and fixtures	Motor vehicles	Total
Cost					
At 1 January 2023	9,443,015	40,000	1,539,659	45,740	11,068,414
Additions	-	-	143,029	9,800	152,829
Disposals	-	-	-	-	-
At 31 December 2023	9,443,015	40,000	1,682,688	55,540	11,221,243
Depreciation					
At 1 January 2023	2,815,423	14,373	1,320,302	38,716	4,188,814
Charge for the year	153,789	640	94,356	3,798	252,583
On disposals	-	-	-	-	-
At 31 December 2023	2,969,212	15,013	1,414,659	42,514	4,441,397
Net book value					
At 31 December 2023	6,473,803	24,987	268,029	13,026	6,779,846
At 31 December 2022	6,627,592	25,627	219,357	7,024	6,879,600

All freehold and leasehold land/ buildings, together with plant, equipment, fixtures and motor vehicles are held as functional assets.

The trustees are confident, without having a professional valuation carried out, that the true value of the properties detailed in the financial statements is greater than the value stated in the financial statements, and use the insured rebuilding cost as a basis for this confidence.

Included in tangible fixed assets is land totalling £1,761,551 (2022: £1,761,551) which is not depreciated. Tangible fixed assets with a net book value of £6,498,790 (2022: £6,653,219) have been pledged as security for liabilities of the charity. The assets have restricted title.

The carrying value of the above fixed assets is not impacted by the proposed transfer of the whole of the charitable trust (including its charitable trust assets) into a Charitable Incorporated Organisation (CIO) as detailed in note 20 'Charitable Incorporated Organisation conversion' of the financial statements, and since there are no intentions to sell any properties, they can be left to be classified within fixed assets.

JAH-JIREH CHARITY HOMES**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2023**

12 Stocks

	2023	2022
	£	£
Finished goods	1,950	1,950

All stock held is for the provision of residential home care.

13 Debtors

	2023	2022
	£	£
Trade debtors	99,534	122,254
Other debtors	101,563	37,668
Prepayments and accrued income	118,817	135,059
	319,914	294,981

14 Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	132,340	199,436
Other tax and social security	44,187	34,995
Accruals and deferred income	182,493	158,967
Concessionary loans payable	2,000	2,000
Other creditors	2,555	2,305
Fees received in advance	84,443	83,526
Bank loans	253,768	239,912
	701,786	721,141

Bank loans totalling £2,791,068 (2022: £3,031,068) are secured by a legal charge over certain freehold property of the charity.

The bank loan is currently repayable in monthly instalments over 10 years, due to be completely repaid in September 2032. The rate of interest on the loan is fixed at 5.74%.

The Concessionary loan payable totals £2,000 which is a single unsecured loan repayable on demand with no on-going repayable element. All concessionary loans payable are interest free.

JAH-JIREH CHARITY HOMES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

15 Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans and overdrafts		
Due within one to two years	268,634	253,931
Due within two to five years	811,302	861,281
Due after more than five years	1,457,364	1,675,944
	2,537,300	2,791,156

16 Operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023 £	2022 £
Not later than one year	28,723	24,697
Later than one year and not later than five years	98,880	97,532
Later than five years	27,733	38,085
	155,336	160,314

17 Fund reconciliation

	Balance at 1 Jan 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 Dec 2023 £
Unrestricted funds	5,806,959	5,957,116	(5,929,385)	-	5,834,690
Designated funds					
South of England Project	160,764	1,784	-	-	162,548
Restricted Funds					
Infection Control Fund	62,502	-	(13,366)	-	49,136
Total funds	6,030,225	5,958,900	(5,942,751)	-	6,046,374

Designated funds

The South of England project funds represent funds received towards the proposed new home in the South of England. The fund has an over and an under subscription clause. This means that any funds over-subscribed can be put to the general use of the charity and any funds under-subscribed, which means the project cannot therefore proceed, can also be put to the general use of the charity, should this become necessary.

JAH-JIREH CHARITY HOMES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

Restricted funds

Infection Control Fund represents money given to the charity by Local Authorities for specific costs related to additional infection control activity related to the COVID pandemic.

	Balance at 1 Jan 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 Dec 2022 £
Unrestricted funds	5,734,791	5,466,189	(5,394,021)	-	5,806,959
Designated funds					
South of England Project	158,910	1,854	-	-	160,764
Restricted Funds					
Infection Control Fund	62,502	68,000	(68,000)	-	62,502
Merthyr Legacy	39,598	-	(39,598)	-	-
Wales Care Workers		51,983	(51,983)	-	-
Total funds	5,995,801	5,588,026	(5,553,602)	-	6,030,225

Restricted funds

Merthyr legacy funds represent a restricted legacy for payment towards the unspecified costs relating to the running of the Merthyr home.

Wales Care Workers funds represent money given by the Welsh Government to recognise the contribution of care workers during the COVID pandemic.

18 Analysis of net assets (between unrestricted, designated and restricted funds)

	Tangible fixed assets £	Other net assets £	2023 Total £
Unrestricted funds	6,779,846	(945,156)	5,834,690
Designated funds	-	162,548	162,548
Restricted funds	-	49,136	49,136
	6,779,846	(733,472)	6,046,374

JAH-JIREH CHARITY HOMES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

	Tangible fixed assets £	Other net assets £	2022 Total £
Unrestricted funds	6,879,600	(1,072,641)	5,806,959
Designated funds	-	160,764	160,764
Restricted funds	-	62,502	62,502
	6,879,600	(849,375)	6,030,225

19 Pension and other post-retirement benefits

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £49,646 (2022: £44,202).

20 Charitable Incorporated Organisation conversion

The charity plans, subject to finalising an impact assessment, to transfer the whole of the charitable trust (the aims and objectives in the trust document, the charitable trust assets and operations) into a 'Charitable Incorporated Organisation (CIO)'. The currently planned date is 31st December 2024 however this may be changed to a later date following the impact assessment.

21 Related party transactions

Trustees are employed by the charity, their remuneration and benefits in kind are included in note 8.

During the year the charity received cash donations totalling £nil (2022: £nil) from trustees.

22 Capital Commitments

At the 31 December 2023, there are capital commitments of just over £76.5K regarding the upgrade of fire doors at the Blackpool Home and the Wigan Home.

23 Non Cash Donations

At the 31 December 2023, the charity had received a donation of a virtually brand new Opera Profile Bed from a private individual which is now in the Wigan Home.

24 Volunteers

At the 31 December 2023, there are 2 regular volunteers who have covered roles that may have featured on the payroll, they cover the areas of media service and IT support, we estimate the value of the time spent to be in the region of £19,203.

JAH-JIREH CHARITY HOMES**DETAILED STATEMENT OF FINANCIAL ACTIVITIES****YEAR ENDED 31 DECEMBER 2023**

	2023		2022	
Income and endowments from:	£	£	£	£
Donations and legacies		141,416		179,120
<i>Charitable activities</i>				
Rents received		38,050		33,162
Residents charges		5,703,773		5,231,682
<i>Investments</i>				
Interest – savings accounts		74,309		21,659
<i>Other Income</i>				
Gain on disposal of tangible fixed asset held for the charity's own use		-		-
Covid payments from Councils		-		2,420
Infection Control Fund		1,352		68,000
Wales Care Worker Support		-		51,983
Total income and endowments		5,958,900		5,588,026
Expenditure on:				
<i>Charitable activities</i>				
Wages and salaries	3,325,451		3,021,130	
Agency costs	751,613		860,865	
Rent	13,401		12,635	
Rates, insurance and water	166,017		151,477	
Heat and light	316,167		218,744	
Repairs and renewals	204,194		206,653	
Food	314,447		294,306	
Nursing, cleaning and household supplies	216,537		190,245	
Stationery, postage and telephone	65,737		68,011	
Motor and travel expenses	29,375		40,084	
Bank charges	10,614		7,075	
Bank loan interest	167,334		129,937	
Bank loan extension	4,486		1,168	
Sundry expenses	20,782		35,637	
Training costs	11,146		15,232	
Legal and professional fees	19,209		10,574	
Criminal records applications	3,864		5,192	
Registration fees	18,821		18,847	
Depreciation: Buildings	154,429		154,429	
Plant and fixtures	94,356		81,658	
Motor vehicles	3,798		2,341	
		5,911,778		5,526,240
<i>Governance costs</i>				
Audit fees	17,338		15,025	
Accountancy and advisory fees	6,290		4,468	
Professional indemnity insurance	6,485		6,794	
Board of trustees meeting expenses	860		1,075	
		30,973		27,362
Total expenditure		5,942,751		5,553,602
Net income for the year		16,149		34,424