

# CEDARS CASTLE HILL

England & Wales · Charity number 1079718

## Details

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Other names	CHAS, THE COMMUNITY HEALTH ASSOCIATION OF SHAFTESBURY
Status	Registered
Legal form	Charitable company
Company number	03913377
Registered	2000-03-07
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	Weldmar Hospicecare Ltd Herringston Road Dorchester Dorset DT1 2SL
Phone	01305 215300
Email	<a href="mailto:sarah.harbig@weld-hospice.org.uk">sarah.harbig@weld-hospice.org.uk</a>
Website	<a href="https://www.weldmarhospicecare.org/">https://www.weldmarhospicecare.org/</a>

## Activities

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**Objects:** TO PROVIDE SHELTERED RESIDENTIAL ACCOMMODATION AND CARE FOR THE BENEFIT OF AGED PERSONS WHO ARE IN NEED IN SHAFTESBURY AND THE SURROUNDING AREA

**Activities:** The provision of sheltered residential accommodation and care for the benefit of aged persons who are in need in Shaftesbury and the surrounding area

## Classification

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- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** Elderly/old People, People With Disabilities

## Geography

- **Area of benefit:** SHAFTESBURY AND THE SURROUNDING AREA
- Dorset

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£70,179	£107,965	-	-
2024-03-31	£1,531,830	£1,784,631	£1,311,258	52
2023-03-31	£1,929,897	£2,372,739	£1,564,059	70
2022-03-31	£2,535,572	£2,272,485	£2,006,901	90
2021-03-31	£2,584,624	£2,295,663	£1,743,814	104

## Trustees

Name	Role	Appointed
Caroline Victoria Hamblett		2026-03-20
David Charles Healey		2026-03-20
Davina Lynn Smith		2026-03-20
Martin Thomas		2021-11-30
Matthew John Smith		2026-03-20
Michael Hall		2015-01-01
Stephen Baynard		2026-03-20

**CEDARS CASTLE HILL**

England & Wales - Charity number 1079718

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# Accounts

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Company registration number: 03913377

Charity registration number: 1079718

# Cedars Castle Hill

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2025

Chartered Accountants  
Chartered Accountants  
Church House  
Church Street  
Yeovil  
Somerset  
BA20 1HB

# **Cedars Castle Hill**

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# **Cedars Castle Hill**

## **Trustees' Report (including Directors' Report)**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2025.

### **OBJECTIVES AND ACTIVITIES**

#### ***Objects and aims***

The main object of the charity is to provide sheltered residential accommodation and care for the benefit of aged persons who are in need in Shaftesbury and the surrounding area.

Until the sale of The Cedars in April 2024, Cedars Castle Hill (CCH) provided residential and nursing care for the elderly, disabled and those in need of dementia care by operating care homes. Up to this point the key criteria against which performance was measured were the delivery of high standards of care through committed, well-qualified and friendly staff at sustainable fee levels, together with the maintenance of a prudent level of reserves.

Since the sale, the Board has been reviewing alternative ways to deliver its charitable object that take account of the changes that have taken place in the care sector and the area of benefit of the charity.

In furthering these objectives, the trustees have complied with the duty under s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance covering the operation of the Public Benefit under that Act.

### **ACHIEVEMENTS AND PERFORMANCE**

#### ***Review of charitable activities undertaken***

The main focus of the charity during the year was to secure the sales of the Cedars nursing home and Castle Hill House. This had been a key part of the Trustees post-covid survival plan – a practical response by a small care home operator to the pressures of tight funding, staff shortages and mounting operating costs.

The Cedars was sold as a going concern to Park Healthcare in April 2024. This protected the interests of residents and staff and ensured residential and nursing facilities were retained in Shaftesbury.

Castle Hill House, which had been empty since November 2022, was finally sold to Arch Capstone in November 2025.

Arch Capstone is a family run business with expertise in the sympathetic restoration and management of old buildings. They plan to restore CHH and create a mix of one and two bedroom flats that will meet local needs within walking distance of the town centre.

The sale of the properties will enable the charity to continue meeting its charitable objective by supporting the efforts of like-minded partners.

### **FINANCIAL REVIEW**

The charity suffered a deficit for the year of £382,275 (2024 : deficit of £252,801). This included a provision for a loss of £358,958 on the disposal of Castle Hill House in November 2025.

At the year end the charity had reserves amounting to £928,983 (2024 : £1,311,258). These are all unrestricted.

## **Cedars Castle Hill**

### **Trustees' Report (including Directors' Report)**

#### ***Policy on reserves***

The term 'free reserves' applies to those unrestricted funds, which are neither committed nor invested in tangible fixed assets (net of long term loans). Prior to the sale of The Cedars, we aimed to maintain reserve levels that were broadly equivalent to three months' running costs.

Following the sale and repayment of loans secured against The Cedars, the charity has comfortably exceeded this target.

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

Historically, the principal source of the charity's income has been the fees it charged for care services, the beneficiaries being individuals in need of residential, respite, rehabilitation or nursing care. Following the closure of Castle Hill House and the sale of The Cedars, the principal source of income is from the charity's investments.

As in previous years, we would like to express our thanks to the Hewer-White (previously the Marshall-Grant) Trust and the William Williams Charity for their continued financial support. Following the sale of The Cedars the loan from the William Williams Charity and half that from the Hewer-White Trust have been repaid.

#### ***Investment policy and objectives***

Under the Memorandum and Articles of the charity, the trustees have wide ranging powers to promote its main object including to support, administer or set up other charities, to make grants or loans of money and to deposit or invest funds in any manner.

### **PLANS FOR FUTURE PERIODS**

#### ***Aims and key objectives for future periods***

The sale of the charity's two properties marks the end of the first stage of the post-covid survival plan. The Trustees' plans for the next stage involve using the net proceeds to support the efforts of a stronger, like-minded, local partner (or partners), who share the same or broadly similar charitable objectives.

#### ***Activities planned to achieve aims***

The charity has held a number of exploratory discussions with potential partners and reviewed their programmes. In addition, it has sought legal advice on the various ways in which it might support these activities and the extent to which this might require changes to its articles of association and charitable objectives. These discussions are ongoing.

## **Cedars Castle Hill**

### **Trustees' Report (including Directors' Report)**

#### **Reference and Administrative Details**

<b>Chairman</b>	Mr M Thomas MSc
<b>Trustees:</b>	Mrs E Westall BSc (Hons) Dip SW Mrs P A Hobbs SRN Mr M J Hall BA (Hons) Mrs R M Blacklock MA Cantab
<b>Registered Office:</b>	The Cedars Nursing Home Cliff House Breach Lane Shaftesbury Dorset SP7 8LF  The charity is incorporated in England and Wales.
<b>Company Registration Number:</b>	03913377
<b>Charity Registration Number:</b>	1079718
<b>Solicitors:</b>	Anthony Collins 134 Edmund Street Birmingham B3 2ES
<b>Bankers:</b>	NatWest Bank plc Shaftesbury The Commons Bell Street Shaftesbury Dorset SP7 8JY
<b>Independent Examiner:</b>	Ian Dodds CA FCA Lanham & Francis Chartered Accountants Church House Church Street Yeovil Somerset BA20 1HB

# **Cedars Castle Hill**

## **Trustees' Report (including Directors' Report)**

### **NATURE OF GOVERNING DOCUMENT**

Cedars Castle Hill was incorporated on 25 January 2000 under the Companies Act and the liability of its members is limited to £1. The registered charity was founded on 7 March 2000. The charity registration number is 1079718.

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

#### ***Recruitment and appointment of trustees***

The management of the company is the responsibility of the trustees, who are elected or co-opted under the terms of the Memorandum and Articles of Association of the charity. Trustees are elected at the Annual General Meeting for a three year term. The Board carries out an annual skills audit to ensure that there is appropriate expertise among its members. If there is a gap in skills, a specific recruitment drive will take place. Applicants are interviewed and recommendations are put to the Board for approval. The trustees have the power to co-opt any person duly qualified to be appointed as an additional trustee, but a co-opted trustee holds office only until the next Annual General Meeting.

#### ***Induction and training of trustees***

The Board is currently updating its induction process for new trustees. Training requirements are regularly reviewed and trustees are offered training when considered necessary.

#### ***Organisational structure***

The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association, the Chairman of the trustees is nominated by the trustees, who are elected annually by the members of the charity attending the Annual General Meeting. Trustees serve for renewable three year terms.

When operating care homes the trustees had a duty to put the day to day running of the homes in the hands of one or more suitably qualified registered managers. Carol Mayers was appointed Director of Homes in October 2021 and continued in that role until the sale of The Cedars to Park Healthcare in April 2024, when the management structure was re-organised.

Following the sale, the trustees continue to meet on a quarterly basis to administer the charity. Overall responsibility for running the charity lies with the Chairman with specific tasks being delegated to individual trustees. The principal purpose of the quarterly board meetings is to oversee the financial and administrative performance of the charity and to commission and review reports from its professional advisers, particularly on matters relating to asset sales and legal, governance and accounting issues. In addition, the Board continues to review options for the future delivery of its charitable object.

#### ***Principal risks and uncertainties***

Following the sale of The Cedars, the principal challenge facing the Board was selling its remaining asset, Castle Hill House, in an uncertain market. Also, although the reserves were considerably strengthened by the sale of the Cedars, the charity continued to face significant ongoing costs until all its assets had been disposed of. The sale of Castle Hill House in November 2025 and investment in interest bearing deposits has eliminated this risk.

## **Cedars Castle Hill**

### **Trustees' Report (including Directors' Report)**

#### **PUBLIC BENEFIT**

We have referred to the guidance contained on the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. Further details regarding how the trustees have met this guidance are provided in the relevant sections of this report.

#### **GOING CONCERN**

The financial statements have been prepared on the going concern basis. The trustees believe that following the improvement in the charity's reserves, there are no material uncertainties about its ability to continue.

The annual report was approved by the trustees of the charity on 2 January 2026 and signed on its behalf by:

Mr M Thomas MSc  
Chairman

## **Cedars Castle Hill**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of Cedars Castle Hill for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 2 January 2026 and signed on its behalf by:

Mr M Thomas MSc  
Chairman

## **Cedars Castle Hill**

### **Independent Examiner's Report to the trustees of Cedars Castle Hill ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2025.

#### **Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement - matter of concern identified**

I have completed my examination. During the year the trustees made ex-gratia payments to four senior employees in recognition of their long service, exemplary service and support/work ethic during the sale process. Whilst there was no moral obligation, the payments were made in good faith, as the trustees considered the employees had exceeded their normal job requirements. The trustees were mindful of the provisions of the Charities Act 2022, but made the payments prior to the date on which provisions that Act allowing them became lawful.

I confirm that no other matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of Cedars Castle Hill as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

Ian Dodds CA FCA

Lanham & Francis  
Church House  
Church Street  
Yeovil  
Somerset  
BA20 1HB

5 January 2026

## Cedars Castle Hill

### Statement of Financial Activities for the Year Ended 31 March 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £
<b>Income and Endowments from:</b>				
Charitable activities	4	63,315	-	63,315
Investment income	5	6,864	-	6,864
Total income		70,179	-	70,179
<b>Expenditure on:</b>				
Raising funds	7	(900)	-	(900)
Charitable activities	8	(451,554)	-	(451,554)
Total expenditure		(452,454)	-	(452,454)
Net expenditure		(382,275)	-	(382,275)
Transfers between funds		56,732	(56,732)	-
Net movement in funds		(325,543)	(56,732)	(382,275)
<b>Reconciliation of funds</b>				
Total funds brought forward		1,254,526	56,732	1,311,258
Total funds carried forward	23	928,983	-	928,983

The notes on pages 11 to 22 form an integral part of these financial statements.

## Cedars Castle Hill

### Statement of Financial Activities for the Year Ended 31 March 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	708	-	708
Charitable activities	4	1,526,727	-	1,526,727
Investment income	5	3,702	-	3,702
Other income	6	693	-	693
Total income		<u>1,531,830</u>	<u>-</u>	<u>1,531,830</u>
<b>Expenditure on:</b>				
Raising funds	7	(6,750)	-	(6,750)
Charitable activities	8	<u>(1,776,302)</u>	<u>(1,579)</u>	<u>(1,777,881)</u>
Total expenditure		<u>(1,783,052)</u>	<u>(1,579)</u>	<u>(1,784,631)</u>
Net expenditure		(251,222)	(1,579)	(252,801)
Transfers between funds		<u>59,286</u>	<u>(59,286)</u>	<u>-</u>
Net movement in funds		(191,936)	(60,865)	(252,801)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>1,446,462</u>	<u>117,597</u>	<u>1,564,059</u>
Total funds carried forward	23	<u><u>1,254,526</u></u>	<u><u>56,732</u></u>	<u><u>1,311,258</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 11 to 22 form an integral part of these financial statements.

## Cedars Castle Hill

### (Registration number: 03913377) Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	16	487,447	846,405
<b>Current assets</b>			
Stocks	17	-	4,112
Debtors	18	53,758	1,184,521
Cash at bank and in hand	19	500,151	96,596
		553,909	1,285,229
<b>Creditors: Amounts falling due within one year</b>	20	(112,373)	(720,376)
<b>Net current assets</b>		441,536	564,853
<b>Total assets less current liabilities</b>		928,983	1,411,258
<b>Creditors: Amounts falling due after more than one year</b>	21	-	(100,000)
<b>Net assets</b>		928,983	1,311,258
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	23	-	56,732
<b>Unrestricted income funds</b>			
Unrestricted funds		928,983	1,254,526
<b>Total funds</b>	23	928,983	1,311,258

For the financial year ending 31 March 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 8 to 23 were approved by the trustees, and authorised for issue on 2 January 2026 and signed on their behalf by:

Mr M Thomas MSc  
Chairman

The notes on pages 11 to 22 form an integral part of these financial statements.

## **Cedars Castle Hill**

### **Notes to the Financial Statements for the Year Ended 31 March 2025**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

The Cedars Nursing Home

Cliff House

Breach Lane

Shaftesbury

Dorset

SP7 8LF

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

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 (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### **Basis of preparation**

Cedars Castle Hill meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in Sterling, which is the functional currency of the charity. Monetary amounts in the financial statements are rounded to the nearest £1.

##### **Going concern**

The financial statements have been prepared on the going concern basis. The trustees believe that given the current level of reserves following the sale of the Cedars and the repayment of most of the long term loans, there are no material uncertainties about its ability to continue.

##### **Income and endowments**

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

## **Cedars Castle Hill**

### **Notes to the Financial Statements for the Year Ended 31 March 2025**

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### ***Investment income***

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

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

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £250.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold land and buildings	2% per annum, straight line basis
Fixtures and fittings	25% per annum, reducing balance basis

#### Impairment of fixed assets

FRS102 conveys the principle that fixed assets should be carried in the balance sheet at no more than their recoverable amount. Fixed assets are subject to an annual impairment review and other assets are reviewed if there are indicators of impairment. Impairment arises if the carrying amount is found to be greater than the higher of the net realisable value and the value-in-use. If impairment is identified an impairment adjustment is carried out.

Impairment is recognised in the Statement of Financial Activities as expenditure. An impairment loss recognised for all assets is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply. The reversal is limited to the difference between the revised recoverable amount and the carrying value. The reversal of impairment is included in the Statement of Financial Activities as a separate line within expenditure and is not netted off expenditure.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Concessionary loans

Concessionary loans are valued at the amount received. Where loans are made with no repayment commitment, they are treated as being due after more than five years, unless it becomes likely that an event that will trigger early repayment occurs. Otherwise loan repayments are analysed in accordance with the loan terms.

#### Provisions

Provisions are recognised if the charity has a present obligation (legal or constructive) as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### Financial instruments

##### Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

##### Recognition and measurement

Except for concessionary loans, the charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### 3 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
<b>Total for 2025</b>	-	-
<b>Total for 2024</b>	708	708

#### 4 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Residential care	63,315	63,315
<b>Total for 2025</b>	63,315	63,315
<b>Total for 2024</b>	1,526,727	1,526,727

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 5 Investment income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Interest receivable and similar income; Interest receivable on bank deposits	6,864	6,864
<b>Total for 2025</b>	6,864	6,864
<b>Total for 2024</b>	3,702	3,702

#### 6 Other income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
<b>Total for 2024</b>	693	693

#### 7 Expenditure on raising funds

##### Investment management costs

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Interest payable; Interest payable on other loans	900	900
<b>Total for 2025</b>	900	900
<b>Total for 2024</b>	6,750	6,750

#### 8 Expenditure on charitable activities

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Residential care	75,912	-	75,912
Legal and financial	(34,942)	-	(34,942)
Depreciation, amortisation and other similar costs	341,286	-	341,286
Staff costs	65,460	-	65,460
Governance costs	3,838	-	3,838
<b>Total for 2025</b>	451,554	-	451,554
<b>Total for 2024</b>	1,776,302	1,579	1,777,881

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 9 Analysis of governance and support costs

##### Governance costs

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Independent examiner fees		
Examination of the financial statements	600	600
Other fees paid to examiners	2,603	2,603
Bookkeeping fees	635	635
<b>Total for 2025</b>	<u>3,838</u>	<u>3,838</u>
<b>Total for 2024</b>	<u>16,975</u>	<u>16,975</u>

#### 10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	<b>2025 £</b>	<b>2024 £</b>
Audit fees	-	7,500
Other non-audit services	-	3,700
Profit on disposal of tangible fixed assets - The Cedars	(17,672)	(162,204)
Impairment of fixed assets - Castle Hill House	358,958	-
Depreciation of fixed assets	-	28,497
Finance charges payable	-	6,750

#### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

Trustees were reimbursed expenses totalling £1,245 (2024 : £664) by the charity during the year.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 12 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
<b>Staff costs during the year were:</b>		
Wages and salaries	51,651	1,301,293
Social security costs	-	65,406
Pension costs	3,809	15,642
Other staff costs	10,000	-
	<u>65,460</u>	<u>1,382,341</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2025 No	2024 No
Charitable activities	2	41
Administration	-	5
Trustees	5	6
	<u>7</u>	<u>52</u>

2 (2024 - 37) of the above employees participated in the Defined Contribution Pension Schemes.

All of the pension costs have been allocated to residential care.

Contributions to the employee pension schemes for the year totalled £3,809 (2024 - £15,642).

No employee received emoluments of more than £60,000 during the year.

During the year the charity made the following transactions with key management personnel:

#### **Director of Homes**

The Director of Homes received remuneration of £3,599 (2024: £74,865)

#### **Ex-gratia payments**

During the year the charity made ex-gratia payments totalling £10,000. These comprised payments of £2,500 each to four senior employees in recognition of their long service, exemplary service and support/work ethic during the sale process.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 13 Independent examiner's remuneration

	2025 £	2024 £
Examination of the financial statements	600	-
<b>Other fees to examiners</b>		
All other services	2,603	-

#### 14 Auditors' remuneration

	2025 £	2024 £
Audit of the financial statements	-	7,500
<b>Other fees to auditors</b>		
All other non-audit services	-	3,700

#### 15 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 16 Tangible fixed assets

	Land and buildings £	Total £
<b>Cost</b>		
At 1 April 2024	1,554,860	1,554,860
At 31 March 2025	1,554,860	1,554,860
<b>Depreciation</b>		
At 1 April 2024	708,455	708,455
Impairment	358,958	358,958
At 31 March 2025	1,067,413	1,067,413
<b>Net book value</b>		
At 31 March 2025	487,447	487,447
At 31 March 2024	846,405	846,405

#### Impairment

##### Land and buildings

The property, Castle Hill House, was sold in November 2025. As a result, net book value has been reduced the amount of the net disposal. The amount of impairment loss included in profit or loss is £358,958 (2024 - £Nil).

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 17 Stock

	2025 £	2024 £
Stocks	-	4,112

#### 18 Debtors

	2025 £	2024 £
Trade debtors	43,758	56,011
Prepayments	-	25,201
Other debtors	10,000	1,103,309
	53,758	1,184,521

#### 19 Cash and cash equivalents

	2025 £	2024 £
Cash on hand	-	217
Cash at bank	500,151	96,379
	500,151	96,596

#### 20 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	-	67,185
Other loans	105,000	530,000
Other taxation and social security	2,842	26,824
Other creditors	-	69,317
Accruals	4,531	27,050
	112,373	720,376

#### 21 Creditors: amounts falling due after one year

	2025 £	2024 £
Concessionary loans	-	100,000

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

	2025 £	2024 £
Concessionary loans	-	100,000

Loans are secured by a fixed charge over the freehold property of the charity. At 31 March 2025 the freehold property had a net book value of £487,447 (2024 : £846,405).

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2025

Included in the creditors are the following amounts due after more than five years:

	2025 £	2024 £
After more than five years not by instalments	-	100,000

#### Other loans after five years

Concessionary loan

Borrowing of £100,000, interest free. Loan is only repayable should Castle Hill House be sold, transferred to another organisation, or ceased to be used as a residential care home.

## 22 Pension and other schemes

### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £3,809 (2024 - £15,642).

Contributions totalling £- (2024 : £2,858) were payable to the scheme at the end of the year and are included in creditors.

## 23 Funds

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2025 £
<b>Unrestricted funds</b>					
<i>General</i>					
General fund	1,254,526	73,508	(455,783)	56,732	928,983
<b>Restricted funds</b>					
Conservatory Fund - Castle Hill House	52,097	-	-	(52,097)	-
Dignity in Care - Castle Hill House	4,635	-	-	(4,635)	-
<b>Total restricted funds</b>	56,732	-	-	(56,732)	-
<b>Total funds</b>	1,311,258	73,508	(455,783)	-	928,983

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2025

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>					
<i>General</i>					
General fund	1,446,462	1,531,830	(1,783,052)	59,286	1,254,526
<b>Restricted</b>					
Conservatory Fund - Castle Hill House	53,547	-	(1,450)	-	52,097
Dignity in Care - The Cedars	4,171	-	-	(4,171)	-
Dignity in Care - Castle Hill House	4,764	-	(129)	-	4,635
Sun Room - The Cedars	14,800	-	-	(14,800)	-
Extension - The Cedars	38,000	-	-	(38,000)	-
Sensory Table - The Cedars	2,315	-	-	(2,315)	-
<b>Total restricted funds</b>	<u>117,597</u>	<u>-</u>	<u>(1,579)</u>	<u>(59,286)</u>	<u>56,732</u>
<b>Total funds</b>	<u>1,564,059</u>	<u>1,531,830</u>	<u>(1,784,631)</u>	<u>-</u>	<u>1,311,258</u>

The specific purposes for which the funds are to be applied are as follows:

**Conservatory fund – Castle Hill House**

This arose from various donations for the purpose of constructing a conservatory at Castle Hill House. The donations were fully utilised for this purpose.

**Dignity in Care – The Cedars and Castle Hill House**

These funds arose from capital grants from Dignity in Care for the sole purpose of improving the outside decking and patio areas for residents. The grants were fully utilised.

**Sun Room – The Cedars**

A donation was received to help towards the creation of the sun room at The Cedars. The donation was fully utilised.

**Extension - The Cedars**

Two grants were received in respect of the building of the extension at The Cedars. The funds were fully utilised.

**Sensory Table - The Cedars**

A donation was received allowing for the acquisition of a sensory table. The donation was fully utilised.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 24 Analysis of net assets between funds

	<b>Unrestricted funds General £</b>	<b>Total funds at 31 March 2025 £</b>
Tangible fixed assets	487,447	487,447
Current assets	520,625	520,625
Current liabilities	(105,000)	(105,000)
Total net assets	<u>903,072</u>	<u>903,072</u>

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2024 £</b>
Tangible fixed assets	789,673	56,732	846,405
Current assets	1,285,229	-	1,285,229
Current liabilities	(720,376)	-	(720,376)
Creditors over 1 year	(100,000)	-	(100,000)
Total net assets	<u>1,254,526</u>	<u>56,732</u>	<u>1,311,258</u>

#### 25 Analysis of net funds

	<b>At 1 April 2024 £</b>	<b>Financing cash flows £</b>	<b>At 31 March 2025 £</b>
Cash at bank and in hand	96,596	403,555	500,151
Debt due within one year	(525,000)	525,000	-
Debt due after more than one year	(100,000)	-	(100,000)
Net (debt)/funds	<u>(528,404)</u>	<u>928,555</u>	<u>400,151</u>

	<b>At 1 April 2023 £</b>	<b>Financing cash flows £</b>	<b>At 31 March 2024 £</b>
Cash at bank and in hand	497,206	(400,610)	96,596
Debt due within one year	-	(525,000)	(525,000)
Debt due after more than one year	(625,000)	525,000	(100,000)
Net debt	<u>(127,794)</u>	<u>(400,610)</u>	<u>(528,404)</u>

## Cedars Castle Hill

### Detailed Statement of Financial Activities for the Year Ended 31 March 2025

	<b>Total 2025 £</b>	<b>Total 2024 £</b>
<b>Income and Endowments from:</b>		
Donations and legacies	-	708
Charitable activities	63,315	1,526,727
Investment income	6,864	3,702
Other income	-	693
	<u>70,179</u>	<u>1,531,830</u>
<b>Expenditure on:</b>		
Wages and salaries	51,651	1,301,293
Social security costs	-	65,406
Pension costs	3,809	15,642
Other staff costs	10,000	-
Interest payable and similar charges	900	6,750
Household and medical costs	11,300	116,586
Repairs and maintenance	7,660	81,291
Staff training and recruitment	-	8,577
Rates, water, light and heat	44,687	141,502
Telephone and fax	245	7,217
Printing, postage and stationery	596	3,590
Trade subscriptions	(648)	44,228
Sundry expenses	11,196	14,132
Travel and subsistence	876	709
Advertising	-	9,653
Legal and professional fees	7,902	35,445
Bad debts written off	(43,758)	48,190
Bank charges	914	1,152
Depreciation, amortisation and other similar costs	341,286	(133,707)
Auditors' remuneration	-	11,200
Bookkeeping fees	635	5,775
	<u>449,251</u>	<u>1,784,631</u>
Total Expenditure	<u>449,251</u>	<u>1,784,631</u>
Net expenditure	<u>(379,072)</u>	<u>(252,801)</u>
Net movement in funds	(379,072)	(252,801)
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>1,311,258</u>	<u>1,564,059</u>
Total funds carried forward	<u>932,186</u>	<u>1,311,258</u>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 11 to 22 form an integral part of these financial statements.

**CEDARS CASTLE HILL**

England & Wales - Charity number 1079718

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# Accounts

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Company registration number: 03913377

Charity registration number: 1079718

# Cedars Castle Hill

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

Lanham & Francis  
Registered Auditors  
Church House  
Church Street  
Yeovil  
Somerset  
BA20 1HB

# **Cedars Castle Hill**

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# **Cedars Castle Hill**

## **Trustees' Report (including Directors' Report)**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2024.

### **OBJECTIVES AND ACTIVITIES**

#### ***Objects and aims***

The main object of the charity is to provide sheltered residential accommodation and care for the benefit of aged persons who are in need in Shaftesbury and the surrounding area.

Until the sale of The Cedars in April 2024, Cedars Castle Hill (CCH) provided residential and nursing care for the elderly, disabled and those in need of dementia care by operating care homes. Up to this point the key criteria against which performance was measured were the delivery of high standards of care through committed, well-qualified and friendly staff at sustainable fee levels, together with the maintenance of a prudent level of reserves.

Since the sale, the Board has been reviewing alternative ways to deliver its charitable object that take account of the changes that have taken place in the care sector and the area of benefit of the charity.

In furthering these objectives, the trustees have complied with the duty under s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance covering the operation of the Public Benefit under that Act.

### **ACHIEVEMENTS AND PERFORMANCE**

#### ***Review of charitable activities undertaken***

Looking back over the last four years, the pandemic triggered some welcome additional funding from Local Authorities and Central Government, which enabled us to operate on a financially sustainable basis. It also prompted a renewed commitment from Government to reform the funding of adult social care by capping personal care costs and enabling local authorities to pay a "fair price" for care services in future. Regrettably, the sums allocated to deliver these reforms fell well short of what is needed to cover an exceptional increase in operating costs, to improve the pay and conditions of those working in the care sector and to deliver the ambitious market reshaping that was then planned. Since then the timescale for implementing these reforms has been extended indefinitely.

These unhelpful developments prompted the Board to review CCH's financial and operational performance and develop a plan to ensure the continued delivery of its charitable objective. The first stage of this plan involved the decision in November 2022 to close Castle Hill House, our 15-bed residential care home in Bimport, and to combine residential and nursing activities under one roof at The Cedars, our 31-bed home in Angel Lane. Following the successful transfer of residents and staff, Castle Hill House was put up for sale in early 2023.

In the course of the last year it became increasingly clear that these measures would not be sufficient to deal with the twin challenges facing small, not-for-profit providers like CCH - rising costs and cut backs in local authority funding. This led the Board to decide that given the difficulties we were facing in meeting our main charitable objective, i.e. the provision of care to those in need, the best solution would be to sell The Cedars to a larger provider. This would offer the best chance of maintaining nursing and residential beds in Shaftesbury and protecting local jobs.

## **Cedars Castle Hill**

### **Trustees' Report (including Directors' Report)**

Four months after putting this plan into action, agreement was reached in mid March to sell The Cedars, together with its plant and fixtures to Park Healthcare Ltd, owners of The Mellows care home in Gillingham, Hays House Nursing Home outside Shaftesbury and the Colbury House nursing home near Southampton. Following CQC approval, ownership was finally transferred on the 16th April, bringing to a close, after 38 years, CCH's historic role as a key, Shaftesbury-based, care home provider.

Since The Cedars sale agreement was signed at the very end of the accounts year, it has been recorded in these accounts, with the proceeds, less costs, being included as a debtor.

Over this period we are particularly grateful for the support we received from Carol Mayers and her Senior team, particularly Rebecca Ashcroft and Julie Lloyd, in both carrying out the day-to-day running of the Cedars and for assisting with the strategic review and sale process. We are also grateful for the hard work put in by our staff including their readiness to embrace change and take on extra responsibilities over a challenging period.

#### **FINANCIAL REVIEW**

The 23/24 results reflect the cumulative effect of rising costs, falling occupancy rates and funding cut-backs faced by the charity. These factors, together with the ongoing cost of maintaining Castle Hill House, led to the Board's decision to sell The Cedars and explore alternative ways to deliver its charitable object with the net proceeds.

The results for the year show a deficit of £252,801 (2023 : £442,842). Closing reserves of £1,311,258 (2023 : £1,564,059) include restricted funds amounting to £56,732 (2023 : £117,597).

Within the above figures the charity held free reserves amounting to £584,853 (2023 : £377,614).

#### ***Policy on reserves***

The term 'free reserves' applies to those unrestricted funds, which are neither committed nor invested in tangible fixed assets (net of long term loans). Prior to the sale of The Cedars, we aimed to maintain reserve levels that were broadly equivalent to three months' running costs.

Following the sale and repayment of loans secured against The Cedars, the charity has comfortably exceeded this target. These reserves need to be prudently managed to offset our running costs, especially while Castle Hill House remains unsold, and to repay any loans secured against the charity's assets - particularly the loan from the Hewer White Trust which is due to be repaid in 2045, or earlier if certain circumstances arise.

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

Historically, the principal source of the charity's income has been the fees it charged for care services, the beneficiaries being individuals in need of residential, respite, rehabilitation or nursing care. Following the closure of Castle Hill House and the sale of The Cedars, the principal source of income is from the charity's investments.

As in previous years, we would like to express our thanks to the Hewer-White (previously the Marshall-Grant) Trust and the William Williams Charity for their continued financial support. Following the sale of The Cedars the loan from the William Williams Charity and half that from the Hewer-White Trust have been repaid.

#### ***Investment policy and objectives***

Under the Memorandum and Articles of the charity, the trustees have wide ranging powers to promote its main object including to support, administer or set up other charities, to make grants or loans of money and to deposit or invest funds in any manner.

## **Cedars Castle Hill**

### **Trustees' Report (including Directors' Report)**

#### **PLANS FOR FUTURE PERIODS**

##### *Aims and key objectives for future periods*

Looking forward, the Board's immediate plans are to use the net proceeds from the sale of The Cedars to cover its operating costs, to renew its efforts to sell Castle Hill House and pay off its remaining loan from the proceeds and to recover any monies owed to it.

The Board will also continue to review alternative and effective ways in which it might deliver its charitable object in future given the changes that have taken place in the care sector and the area of benefit of the Charity.

##### *Activities planned to achieve aims*

The Trustees are currently taking professional advice on the range of options to achieve the charity's aim.

## **Cedars Castle Hill**

### **Trustees' Report (including Directors' Report)**

#### **Reference and Administrative Details**

<b>Chairman</b>	Mr M Thomas MSc
<b>Trustees:</b>	Mrs E Westall BSc (Hons) Dip SW Mr M G Golberg MA (Oxon) CQSW (resigned 31 July 2023) Mrs P A Hobbs SRN Mr M J Hall BA (Hons) Mrs R M Blacklock MA Cantab
<b>Registered Office:</b>	The Cedars Nursing Home PO BOX 178 Shaftesbury Dorset SP7 8BU  The charity is incorporated in England and Wales.
<b>Company Registration Number:</b>	03913377
<b>Charity Registration Number:</b>	1079718
<b>Solicitors:</b>	Anthony Collins 134 Edmund Street Birmingham B3 2ES
<b>Bankers:</b>	NatWest Bank plc Shaftesbury The Commons Bell Street Shaftesbury Dorset SP7 8JY
<b>Auditor:</b>	Lanham & Francis Registered Auditors Church House Church Street Yeovil Somerset BA20 1HB

# **Cedars Castle Hill**

## **Trustees' Report (including Directors' Report)**

### **NATURE OF GOVERNING DOCUMENT**

Cedars Castle Hill was incorporated on 25 January 2000 under the Companies Act and the liability of its members is limited to £1. The registered charity was founded on 7 March 2000. The charity registration number is 1079718.

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

#### ***Recruitment and appointment of trustees***

The management of the company is the responsibility of the trustees, who are elected or co-opted under the terms of the Memorandum and Articles of Association of the charity. Trustees are elected at the Annual General Meeting for a three year term. The Board carries out an annual skills audit to ensure that there is appropriate expertise among its members. If there is a gap in skills, a specific recruitment drive will take place. Applicants are interviewed and recommendations are put to the Board for approval. The trustees have the power to co-opt any person duly qualified to be appointed as an additional trustee, but a co-opted trustee holds office only until the next Annual General Meeting.

#### ***Induction and training of trustees***

The Board is currently updating its induction process for new trustees. Training requirements are regularly reviewed and trustees are offered training when considered necessary.

#### ***Arrangements for setting key management personnel remuneration***

Following The Cedars sale, the charity no longer employs any staff. Previously the performance of key management staff was reviewed on an annual basis through a formal annual performance review system. The review of the Director of Homes was carried out by the Chairman and two other trustees. Remuneration levels reflected a number of factors including performance ratings, market rates and the financial position of the charity.

#### ***Organisational structure***

The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association, the Chairman of the trustees is nominated by the trustees, who are elected annually by the members of the charity attending the Annual General Meeting. Trustees serve for renewable three year terms.

When operating care homes the trustees had a duty to put the day to day running of the homes in the hands of one or more suitably qualified registered managers. Carol Mayers was appointed Director of Homes in October 2021 and continued in that role until the sale of The Cedars to Park Healthcare, when the management structure was re-organised.

Following the sale, the trustees continue to meet on a quarterly basis to administer the charity. Overall responsibility for running the charity lies with the Chairman with specific tasks being delegated to individual trustees. The principal purpose of the quarterly board meetings is to oversee the financial and administrative performance of the charity and to commission and review reports from its professional advisers, particularly on matters relating to asset sales and legal, governance and accounting issues. In addition, the Board continues to review options for the future delivery of its charitable object.

# Cedars Castle Hill

## Trustees' Report (including Directors' Report)

### *Principal risks and uncertainties*

Prior to the sale the principal risks and uncertainties faced by the charity included the readiness of Government to fund the care sector adequately, managing the long term consequences of Brexit and the pandemic (particularly their contribution to labour shortages) and handling significant increases in food, wage and energy costs.

Following the sale, the principal challenges facing the Board include selling its remaining asset, Castle Hill House, in an uncertain market. Also, although the reserves have been considerably strengthened by the sale of the Cedars, the charity continues to face significant ongoing costs until all its assets have been disposed of. This could in time present a sufficient cashflow challenge to restrict or prevent it delivering its charitable objectives in future.

The Trustees manage these risks by ensuring that Castle Hill House is maintained in the manner recommended by its agents to achieve a sale, and that liquid assets are invested to secure a reasonable return, given the need to keep sufficient funds available to meet ongoing costs.

### **PUBLIC BENEFIT**

We have referred to the guidance contained on the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. Further details regarding how the trustees have met this guidance are provided in the relevant sections of this report.

### **GOING CONCERN**

The financial statements have been prepared on the going concern basis. The trustees believe that following the improvement in the charity's reserves, there are no material uncertainties about its ability to continue.

### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

Each trustee has taken 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 charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### **AUDITOR**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Lanham & Francis as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
Mr M Thomas MSc  
Chairman

# Cedars Castle Hill

## Statement of Trustees' Responsibilities

The trustees (who are also the directors of Cedars Castle Hill for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
Mr M Thomas MSc  
Chairman

## **Cedars Castle Hill**

### **Independent Auditor's Report to the Members of Cedars Castle Hill**

#### **Opinion**

We have audited the financial statements of Cedars Castle Hill (the 'charity') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

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

## **Cedars Castle Hill**

### **Independent Auditor's Report to the Members of Cedars Castle Hill**

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

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

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (including Directors' Report).

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 7), 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**

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.

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

# Cedars Castle Hill

## Independent Auditor's Report to the Members of Cedars Castle Hill

Procedures to identify risks:

- enquiring of Trustees and management concerning the Charity's procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas: posting of unusual journals; and
- obtaining an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the group. The key laws we considered in this context included UK Companies Act, Charities Act, employment law, health and safety, pensions legislation and tax legislation.

The procedures to respond to risks identified included:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of Trustees and management, concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing correspondence with HMRC, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

### Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....  
Ian Dodds (Senior Statutory Auditor)  
For and on behalf of Lanham & Francis, Statutory Auditor

Church House  
Church Street  
Yeovil  
Somerset  
BA20 1HB

Date:.....

## Cedars Castle Hill

### Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	708	-	708
Charitable activities	4	1,526,727	-	1,526,727
Investment income	5	3,702	-	3,702
Other income	6	693	-	693
Total income		<u>1,531,830</u>	<u>-</u>	<u>1,531,830</u>
<b>Expenditure on:</b>				
Raising funds	7	(6,750)	-	(6,750)
Charitable activities	8	<u>(1,776,302)</u>	<u>(1,579)</u>	<u>(1,777,881)</u>
Total expenditure		<u>(1,783,052)</u>	<u>(1,579)</u>	<u>(1,784,631)</u>
Net expenditure		(251,222)	(1,579)	(252,801)
Transfers between funds		<u>59,286</u>	<u>(59,286)</u>	<u>-</u>
Net movement in funds		(191,936)	(60,865)	(252,801)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>1,446,462</u>	<u>117,597</u>	<u>1,564,059</u>
Total funds carried forward	23	<u><u>1,254,526</u></u>	<u><u>56,732</u></u>	<u><u>1,311,258</u></u>

The notes on pages 15 to 27 form an integral part of these financial statements.

## Cedars Castle Hill

### Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	874	-	874
Charitable activities	4	1,917,138	-	1,917,138
Investment income	5	2,301	-	2,301
Other income	6	9,584	-	9,584
Total income		<u>1,929,897</u>	<u>-</u>	<u>1,929,897</u>
<b>Expenditure on:</b>				
Raising funds	7	(6,750)	-	(6,750)
Charitable activities	8	<u>(2,361,730)</u>	<u>(4,259)</u>	<u>(2,365,989)</u>
Total expenditure		<u>(2,368,480)</u>	<u>(4,259)</u>	<u>(2,372,739)</u>
Net expenditure		<u>(438,583)</u>	<u>(4,259)</u>	<u>(442,842)</u>
Net movement in funds		(438,583)	(4,259)	(442,842)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>1,885,045</u>	<u>121,856</u>	<u>2,006,901</u>
Total funds carried forward	23	<u>1,446,462</u>	<u>117,597</u>	<u>1,564,059</u>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 15 to 27 form an integral part of these financial statements.

## Cedars Castle Hill

### (Registration number: 03913377) Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	15	846,405	1,811,445
<b>Current assets</b>			
Stocks	16	4,112	4,675
Debtors	17	1,184,521	102,819
Cash at bank and in hand	18	<u>96,596</u>	<u>497,206</u>
		1,285,229	604,700
<b>Creditors: Amounts falling due within one year</b>	19	<u>(720,376)</u>	<u>(227,086)</u>
<b>Net current assets</b>		<u>564,853</u>	<u>377,614</u>
<b>Total assets less current liabilities</b>		1,411,258	2,189,059
<b>Creditors: Amounts falling due after more than one year</b>	20	<u>(100,000)</u>	<u>(625,000)</u>
<b>Net assets</b>		<u>1,311,258</u>	<u>1,564,059</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	23	56,732	117,597
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>1,254,526</u>	<u>1,446,462</u>
<b>Total funds</b>	23	<u>1,311,258</u>	<u>1,564,059</u>

The financial statements on pages 11 to 28 were approved by the trustees, and authorised for issue on .....  
and signed on their behalf by:

.....  
Mr M Thomas MSc  
Chairman

The notes on pages 15 to 27 form an integral part of these financial statements.

## Cedars Castle Hill

### Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash expenditure		(252,801)	(442,842)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		28,497	81,404
Investment income		(3,702)	(2,301)
Interest payable		6,750	6,750
Loss on disposal of tangible fixed assets		162,204	31,943
Impairment of fixed assets		-	99,061
		(59,052)	(225,985)
<b>Working capital adjustments</b>			
Decrease in stocks	16	563	1,241
(Increase)/decrease in debtors	17	(1,081,702)	34,126
Decrease in creditors	19	(31,710)	(71,989)
Net cash flows from operating activities		(1,171,901)	(262,607)
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	3,702	2,301
Purchase of tangible fixed assets	15	(4,289)	(8,549)
Sale of tangible fixed assets		778,628	-
Net cash flows from investing activities		778,041	(6,248)
<b>Cash flows from financing activities</b>			
Interest payable and similar charges	7	(6,750)	(6,750)
Net decrease in cash and cash equivalents		(400,610)	(275,605)
Cash and cash equivalents at 1 April		497,206	772,811
Cash and cash equivalents at 31 March		96,596	497,206

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 27 form an integral part of these financial statements.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

The Cedars Nursing Home  
PO BOX 178  
Shaftesbury  
Dorset  
SP7 8BU

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

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

##### Statement of compliance

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 (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### Basis of preparation

Cedars Castle Hill meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in Sterling, which is the functional currency of the charity. Monetary amounts in the financial statements are rounded to the nearest £1.

##### Going concern

The financial statements have been prepared on the going concern basis. The trustees believe that given the current level of reserves following the sale of the Cedars and the repayment of most of the long term loans, there are no material uncertainties about its ability to continue.

##### Income and endowments

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

##### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### *Investment income*

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### *Raising funds*

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### *Charitable activities*

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

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £250.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold land and buildings	2% per annum, straight line basis
Fixtures and fittings	25% per annum, reducing balance basis

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### **Impairment of fixed assets**

FRS102 conveys the principle that fixed assets should be carried in the balance sheet at no more than their recoverable amount. Fixed assets are subject to an annual impairment review and other assets are reviewed if there are indicators of impairment. Impairment arises if the carrying amount is found to be greater than the higher of the net realisable value and the value-in-use. If impairment is identified an impairment adjustment is carried out.

Impairment is recognised in the Statement of Financial Activities as expenditure. An impairment loss recognised for all assets is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply. The reversal is limited to the difference between the revised recoverable amount and the carrying value. The reversal of impairment is included in the Statement of Financial Activities as a separate line within expenditure and is not netted off expenditure.

#### **Stock**

Stock is valued at cost. Cost is determined using the first-in, first-out (FIFO) method.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Concessionary loans**

Concessionary loans are valued at the amount received. Where loans are made with no repayment commitment, they are treated as being due after more than five years, unless it becomes likely that an event that will trigger early repayment occurs. Otherwise loan repayments are analysed in accordance with the loan terms.

#### **Provisions**

Provisions are recognised if the charity has a present obligation (legal or constructive) as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### Financial instruments

##### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

##### *Recognition and measurement*

Except for concessionary loans, the charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### 3 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Donations and legacies;		
Donations from individuals	708	708
<b>Total for 2024</b>	708	708
<b>Total for 2023</b>	874	874

#### 4 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Residential care	1,526,727	1,526,727
<b>Total for 2024</b>	1,526,727	1,526,727
<b>Total for 2023</b>	1,917,138	1,917,138

#### 5 Investment income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Interest receivable and similar income;		
Interest receivable on bank deposits	3,702	3,702
<b>Total for 2024</b>	3,702	3,702
<b>Total for 2023</b>	2,301	2,301

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 6 Other income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Rental income	693	693
<b>Total for 2024</b>	693	693
<b>Total for 2023</b>	9,584	9,584

#### 7 Expenditure on raising funds

##### Investment management costs

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Interest payable; Interest payable on other loans	6,750	6,750
<b>Total for 2024</b>	6,750	6,750
<b>Total for 2023</b>	6,750	6,750

#### 8 Expenditure on charitable activities

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Residential care	427,485	-	427,485
Legal and financial	84,787	-	84,787
Depreciation, amortisation and other similar costs	(135,286)	1,579	(133,707)
Staff costs	1,382,341	-	1,382,341
Governance costs	16,975	-	16,975
<b>Total for 2024</b>	1,776,302	1,579	1,777,881
<b>Total for 2023</b>	2,361,730	4,259	2,365,989

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 9 Analysis of governance and support costs

##### Governance costs

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Audit fees		
Audit of the financial statements	7,500	7,500
Other fees paid to auditors	3,700	3,700
Management fees	5,775	5,775
<b>Total for 2024</b>	<u>16,975</u>	<u>16,975</u>
<b>Total for 2023</b>	<u>19,438</u>	<u>19,438</u>

#### 10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	<b>2024 £</b>	<b>2023 £</b>
Audit fees	7,500	8,700
Other non-audit services	3,700	4,088
(Profit)/loss on disposal of tangible fixed assets	(162,204)	31,943
Impairment of fixed assets	-	99,061
Depreciation of fixed assets	28,497	81,404
Finance charges payable	<u>6,750</u>	<u>6,750</u>

#### 11 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

##### **Mr M Thomas MSc**

£664 (2023: £584) of expenses were reimbursed to Mr M Thomas MSc during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 12 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,301,293	1,519,653
Social security costs	65,406	104,325
Pension costs	15,642	23,364
	<u>1,382,341</u>	<u>1,647,342</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Charitable activities	41	56
Administration	5	6
Trustees	6	8
	<u>52</u>	<u>70</u>

37 (2023 - 45) of the above employees participated in the Defined Contribution Pension Schemes.

All of the pension costs have been allocated to residential care.

Contributions to the employee pension schemes for the year totalled £15,642 (2023 - £23,364).

The number of employees whose emoluments fell within the following bands was:

	2024 No	2023 No
£60,001 - £70,000	<u>1</u>	<u>1</u>

During the year the charity made the following transactions with key management personnel:

#### Director of Homes

The Director of Homes received remuneration of £74,865 (2023: £69,470)

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 13 Auditors' remuneration

	2024 £	2023 £
Audit of the financial statements	7,500	8,700
<b>Other fees to auditors</b>		
All other non-audit services	3,700	4,088

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 April 2023	2,921,594	233,802	3,155,396
Additions	-	4,289	4,289
Disposals	(1,366,734)	(238,091)	(1,604,825)
At 31 March 2024	1,554,860	-	1,554,860
<b>Depreciation</b>			
At 1 April 2023	1,159,140	184,811	1,343,951
Charge for the year	28,497	-	28,497
Eliminated on disposals	(479,182)	(184,811)	(663,993)
At 31 March 2024	708,455	-	708,455
<b>Net book value</b>			
At 31 March 2024	846,405	-	846,405
At 31 March 2023	1,762,454	48,991	1,811,445

#### 16 Stock

	2024 £	2023 £
Stocks	4,112	4,675

#### 17 Debtors

	2024 £	2023 £
Trade debtors	56,011	62,208
Prepayments	25,201	36,900
Other debtors	1,103,309	3,711
	1,184,521	102,819

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 18 Cash and cash equivalents

	2024	2023
	£	£
Cash on hand	217	382
Cash at bank	96,379	496,824
	96,596	497,206

#### 19 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	67,185	79,600
Other loans	530,000	5,000
Other taxation and social security	26,824	38,044
Other creditors	69,317	77,005
Accruals	27,050	27,437
	720,376	227,086

#### 20 Creditors: amounts falling due after one year

	2024	2023
	£	£
Concessionary loans	100,000	625,000

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

	2024	2023
	£	£
Concessionary loans	100,000	625,000

Loans are secured by a fixed charge over the freehold property of the charity. At 31 March 2024 the freehold property had a net book value of £846,405 (2023 : £1,762,454).

Included in the creditors are the following amounts due after more than five years:

	2024	2023
	£	£
After more than five years not by instalments	100,000	625,000

#### Other loans after five years

Concessionary loan

Borrowing of £100,000, interest free. Loan is only repayable should Castle Hill House be sold, transferred to another organisation, or ceased to be used as a residential care home.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 21 Obligations under leases and hire purchase contracts

##### Operating lease commitments

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

	2024 £	2023 £
<b>Other</b>		
Within one year	598	4,392
Between one and five years	-	16,104
	598	20,496

The amount of non-cancellable operating lease payments recognised as an expense during the year was £4,392 (2023 : £14,321).

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £15,642 (2023 - £23,364).

Contributions totalling £2,858 (2023 : £4,080) were payable to the scheme at the end of the year and are included in creditors.

#### 23 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>					
<i>General</i>					
General fund	1,446,462	1,531,830	(1,783,052)	59,286	1,254,526
<b>Restricted funds</b>					
Conservatory Fund - Castle Hill House	53,547	-	(1,450)	-	52,097
Dignity in Care - The Cedars	4,171	-	-	(4,171)	-
Dignity in Care - Castle Hill House	4,764	-	(129)	-	4,635
Sun Room - The Cedars	14,800	-	-	(14,800)	-
Extension - The Cedars	38,000	-	-	(38,000)	-
Sensory Table - The Cedars	2,315	-	-	(2,315)	-
<b>Total restricted funds</b>	117,597	-	(1,579)	(59,286)	56,732
<b>Total funds</b>	1,564,059	1,531,830	(1,784,631)	-	1,311,258

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>				
<i>General</i>				
General fund	1,885,045	1,929,897	(2,368,480)	1,446,462
<b>Restricted</b>				
Conservatory Fund - Castle Hill House	54,997	-	(1,450)	53,547
Dignity in Care - The Cedars	4,293	-	(122)	4,171
Dignity in Care - Castle Hill House	4,893	-	(129)	4,764
Sun Room - The Cedars	15,200	-	(400)	14,800
Extension - The Cedars	39,000	-	(1,000)	38,000
Sensory Table - The Cedars	3,473	-	(1,158)	2,315
<b>Total restricted funds</b>	<u>121,856</u>	<u>-</u>	<u>(4,259)</u>	<u>117,597</u>
<b>Total funds</b>	<u>2,006,901</u>	<u>1,929,897</u>	<u>(2,372,739)</u>	<u>1,564,059</u>

The specific purposes for which the funds are to be applied are as follows:

#### Conservatory fund – Castle Hill House

This arose from various donations for the purpose of constructing a conservatory at Castle Hill House. The donations have been fully utilised for this purpose and the fund is now being written off at a rate of 2% per annum in line with the underlying assets.

#### Dignity in Care – The Cedars and Castle Hill House

These funds arose from capital grants from Dignity in Care for the sole purpose of improving the outside decking and patio areas for residents. The grants were fully utilised within the time restriction placed on them and the funds are now being written off at a rate of 2% per annum in line with the underlying assets.

#### Sun Room – The Cedars

A donation was received to help towards the creation of the sun room at The Cedars. The donation has been fully utilised and the fund is now being written off at a rate of 2% per annum in line with the underlying assets.

#### Extension - The Cedars

Two grants were received in respect of the building of the extension at The Cedars. Following completion, the funds are now being written off at the rate of 2% per annum in line with the underlying assets.

#### Sensory Table - The Cedars

A donation was received allowing for the acquisition of a sensory table. The donation has been fully utilised and the fund is being written off at a rate of 25% per annum in line with the underlying asset.

On disposal of The Cedars, the associated restricted funds were transferred to general funds, as the donations had been fully utilised in line with their original purpose.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 24 Analysis of net assets between funds

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2024 £</b>
Tangible fixed assets	789,673	56,732	846,405
Current assets	1,285,229	-	1,285,229
Current liabilities	(720,376)	-	(720,376)
Creditors over 1 year	(100,000)	-	(100,000)
<b>Total net assets</b>	<b>1,254,526</b>	<b>56,732</b>	<b>1,311,258</b>

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2023 £</b>
Tangible fixed assets	1,693,848	117,597	1,811,445
Current assets	604,700	-	604,700
Current liabilities	(227,086)	-	(227,086)
Creditors over 1 year	(625,000)	-	(625,000)
<b>Total net assets</b>	<b>1,446,462</b>	<b>117,597</b>	<b>1,564,059</b>

#### 25 Analysis of net funds

	<b>At 1 April 2023 £</b>	<b>Financing cash flows £</b>	<b>At 31 March 2024 £</b>
Cash at bank and in hand	497,206	(400,610)	96,596
Debt due within one year	-	(525,000)	(525,000)
Debt due after more than one year	(625,000)	525,000	(100,000)
<b>Net debt</b>	<b>(127,794)</b>	<b>(400,610)</b>	<b>(528,404)</b>

	<b>At 1 April 2022 £</b>	<b>Financing cash flows £</b>	<b>At 31 March 2023 £</b>
Cash at bank and in hand	772,811	(275,605)	497,206
Debt due after more than one year	(625,000)	-	(625,000)
<b>Net debt</b>	<b>147,811</b>	<b>(275,605)</b>	<b>(127,794)</b>

## **Cedars Castle Hill**

### **Notes to the Financial Statements for the Year Ended 31 March 2024**

#### **26 Related party transactions**

During the year the charity made the following related party transactions:

##### **Mr M Thomas**

(Trustee)

Reimbursement of expenses totalling £664. At the balance sheet date the amount due to/from Mr M Thomas was £Nil (2023 - £Nil).

## Cedars Castle Hill

### Detailed Statement of Financial Activities for the Year Ended 31 March 2024

	<b>Total 2024 £</b>	<b>Total 2023 £</b>
<b>Income and Endowments from:</b>		
Donations and legacies	708	874
Charitable activities	1,526,727	1,917,138
Investment income	3,702	2,301
Other income	693	9,584
	<u>1,531,830</u>	<u>1,929,897</u>
<b>Expenditure on:</b>		
Wages and salaries	1,301,293	1,519,653
Social security costs	65,406	104,325
Pension costs	15,642	23,364
Interest payable and similar charges	6,750	6,750
Household and medical costs	116,586	196,467
Rent	-	2,475
Repairs and maintenance	81,291	84,359
Staff training and recruitment	8,577	11,517
Rates, water, light and heat	141,502	96,604
Telephone and fax	7,217	6,647
Printing, postage and stationery	3,590	5,456
Trade subscriptions	44,228	41,267
Sundry expenses	14,132	13,886
Travel and subsistence	709	1,127
Advertising	9,653	12,528
Legal and professional fees	35,445	12,168
Bad debts written off	48,190	1,139
Bank charges	1,152	1,161
Depreciation, amortisation and other similar costs	(133,707)	212,408
Auditors' remuneration	11,200	12,788
Management fees	5,775	6,650
	<u>1,784,631</u>	<u>2,372,739</u>
Net expenditure	<u>(252,801)</u>	<u>(442,842)</u>
Net movement in funds	(252,801)	(442,842)
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>1,564,059</u>	<u>2,006,901</u>
Total funds carried forward	<u>1,311,258</u>	<u>1,564,059</u>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 15 to 27 form an integral part of these financial statements.

**CEDARS CASTLE HILL**

England & Wales - Charity number 1079718

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# Accounts

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Company registration number: 3913377

Charity registration number: 1079718

# Cedars Castle Hill

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

Lanham & Francis  
Registered Auditors  
Church House  
Church Street  
Yeovil  
Somerset  
BA20 1HB

## **Cedars Castle Hill**

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## **Cedars Castle Hill**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2023.

#### **OBJECTIVES AND ACTIVITIES**

##### *Objects and aims*

The main object of the charity is to provide care for the benefit of aged persons in Shaftesbury and the surrounding area, who are in need. There have been no changes in objectives since the last annual report.

The key objectives by which success is measured are to deliver high standards of care through committed, well-qualified and friendly staff at sustainable fee levels, while maintaining a prudent level of reserves. In support of these objectives, The Cedars provides residential and nursing care primarily for the elderly and disabled and particularly those in need of dementia care.

In furthering these objectives, the trustees have complied with the duty under s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance covering the operation of the Public Benefit under that Act.

#### **ACHIEVEMENTS AND PERFORMANCE**

##### *Review of charitable activities undertaken*

A number of factors including rising costs, staff shortages, and lower than expected occupancy rates made a significant and negative impact on CCH's financial performance in 2022/23, resulting in a deficit of £442,842.

These developments prompted the Board to review the Charity's financial and operational performance as a result of which the Trustees decided in November 2022 to close Castle Hill House, its 15-bed residential care home in Bimport, and to combine its residential and nursing activities under one roof at the Cedars, its 31-bed home in Angel Lane. Following the successful transfer of residents and staff, Castle Hill House was put up for sale in early 2023.

Much of the deficit was incurred prior to the point at which we closed Castle Hill House or as a result of the closure costs we faced as a result. The efficiencies achieved through the merger enabled Cedars to breakeven over the following months.

Looking back over the last three years, the pandemic triggered some welcome additional funding from Local Authorities and Central Government, which enabled us to deliver care on a financially sustainable basis. It also prompted a renewed commitment to reform the funding of adult social care including capping personal care costs and requiring local authorities to pay a "fair price" for care services in future. Regrettably, the sums that have been allocated to deliver these reforms fall well short of what is needed to cover an exceptional increase in operating costs, to improve the pay and conditions of those working in the care sector or to deliver the ambitious market reshaping that is planned. Furthermore, the original timescale for implementing these charging reforms has now been delayed by two years.

In 2023 we bade farewell to two of our longest serving Trustees, Sue Daddy and Michael Golberg. We are grateful for their commitment to providing people-centred care for the frail and elderly and for their active involvement and sound advice over many years.

We are again grateful for the support we received from Carol Mayers and her Senior Management Team in carrying out the day-to-day running of our homes during this challenging period. We are also thankful for the hard work put in by our staff - particularly for their help in ensuring the smooth transfer of residents from Castle Hill House to the Cedars, for their readiness to embrace change and to take on extra duties when required.

## **Cedars Castle Hill**

### **Trustees' Report**

#### **FINANCIAL REVIEW**

The results for the year show a deficit of £442,842 (2022 : £263,087 surplus). Closing reserves of £1,564,059 (2022 : £2,006,901) include restricted funds amounting to £117,597 (2022 : £121,856).

Within the above figures the charity held free reserves amounting to £377,614 (2022 : £616,597).

#### ***Policy on reserves***

The term 'free reserves' applies to those unrestricted funds, which are neither committed nor invested in tangible fixed assets (net of long term loans). The trustees' goal is that these should be broadly equivalent to three months running costs.

The trustees also aim to build up additional reserves where possible in order to contribute to individual capital projects to improve the charity's facilities in the light of changing and expanding needs for its services. When such projects are planned, specific fundraising campaigns are also undertaken.

The trustees recognise that certain loans, which are secured against the charity's assets, are repayable from 2045, or earlier if certain circumstances arise.

Ongoing measures to achieve the target for free reserves include the delivery of high service standards at sustainable fee levels, while maintaining strict cost control.

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

The principal source of the charity's income is the fees it charges for care services. The beneficiaries are individuals who are in need of residential, respite, rehabilitation or nursing care. Cedars Castle Hill has contractual arrangements with individuals, local authorities and clinical commissioning groups (CCGs), with around half of its current residents being partially or wholly funded by Social Services and/or the NHS.

As in previous years, we would again like to express our thanks to the Hewer-White (previously the Marshall-Grant) and William Williams Trusts for their continued financial support, which enabled us to build the extensions to the two homes.

#### ***Investment policy and objectives***

Under the Memorandum and Articles of the charity, the trustees have the power to make any investments which they see fit.

#### **PLANS FOR FUTURE PERIODS**

##### ***Aims and key objectives for future periods***

The trustees aim to continue providing residential and nursing care for the benefit of aged people who are in need in Shaftesbury and the surrounding area.

##### ***Activities planned to achieve aims***

Looking forward, having combined the charity's residential and nursing activities under one roof at The Cedars, the trustees' main priority for the year ahead will be to sell Castle Hill House and use the net proceeds to strengthen the charity's reserves. Agents have been appointed to assist the Board in achieving this.

The key indicators against which success will continue to be measured include delivering service standards that will achieve at least an overall "good" rating, improving occupancy rates, keeping costs under control, monitoring cash flow closely, charging appropriate fees and maintaining a work environment that will attract and retain friendly, high quality staff.

## **Cedars Castle Hill**

### **Trustees' Report**

#### **Reference and Administrative Details**

<b>Chairman</b>	Mr M Thomas MSc
<b>Trustees:</b>	Mrs E Westall BSc (Hons) Dip SW Mr M G Golberg MA (Oxon) CQSW (resigned 31 July 2023) Mrs P A Hobbs SRN Dr S Daddy MB.BS MRCS.LRCP (resigned 31 March 2023) Mr M J Hall BA (Hons) Mrs R M Blacklock MA Cantab Mr R S Keenlyside BSc (Hons) MRICS (resigned 3 May 2022)
<b>Registered Office:</b>	Cedars Nursing Home Angel Lane Shaftesbury Dorset SP7 8DF  The charity is incorporated in England and Wales.
<b>Company Registration Number:</b>	3913377
<b>Charity Registration Number:</b>	1079718
<b>Solicitors:</b>	Anthony Collins 134 Edmund Street Birmingham B3 2ES
<b>Bankers:</b>	NatWest Bank plc Shaftesbury The Commons Bell Street Shaftesbury Dorset SP7 8JY
<b>Auditor:</b>	Lanham & Francis Registered Auditors Church House Church Street Yeovil Somerset BA20 1HB

# Cedars Castle Hill

## Trustees' Report

### **NATURE OF GOVERNING DOCUMENT**

Cedars Castle Hill was incorporated on 25 January 2000 under the Companies Act and the liability of its members is limited to £1. The registered charity was founded on 7 March 2000. The charity registration number is 1079718.

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

#### *Recruitment and appointment of trustees*

The management of the company is the responsibility of the trustees, who are elected or co-opted under the terms of the Memorandum and Articles of Association of the charity. Trustees are elected at the Annual General Meeting for a three year term. The Board carries out an annual skills audit to ensure that there is appropriate expertise among its members. If there is a gap in skills, a specific recruitment drive will take place. Applicants are interviewed and recommendations are put to the Board for approval. The trustees have the power to co-opt any person duly qualified to be appointed as an additional trustee, but a co-opted trustee holds office only until the next Annual General Meeting.

#### *Induction and training of trustees*

The Board is currently updating its induction process for new trustees. Training requirements are regularly reviewed and trustees are offered training when considered necessary.

#### *Arrangements for setting key management personnel remuneration*

The performance of key management staff is reviewed on an annual basis through a formal annual performance review system. The review of the Director of Homes is carried out by the chairman and two other trustees. Remuneration levels reflect a number of factors including performance ratings, market rates and the financial position of the charity

#### *Organisational structure*

The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association, the chairman of the trustees is nominated by the trustees, who are elected annually by the members of the charity attending the Annual General Meeting. Trustees serve for renewable three year terms.

The trustees have a duty to put the day to day running of the homes in the hands of one or more suitably qualified registered managers. Carol Mayers was appointed Director of Homes in October 2021.

The trustees meet on a quarterly basis to administer the charity. These meetings are attended by senior staff. Much detailed work is undertaken in the Board's two Standing Committees; the Care Committee overseeing care policy and procedures and the Finance and Strategy Committee, which is responsible for overseeing financial management and reviewing options for strategic development of the charity and the services it provides.

# Cedars Castle Hill

## Trustees' Report

### *Principal risks and uncertainties*

The principal risks and uncertainties faced by the charity include the readiness of Government to fund the sector adequately, managing the long term consequences of the pandemic (particularly its contribution to labour shortages) and rising costs (particularly wages and energy) over which it has little control.

Despite the Government's renewed commitment to funding the "fair price of care" there remain doubts about its capacity and readiness to release sufficient funds to achieve this. This is a significant issue for CCH where around half our residents are funded in this way.

Along with many other care providers and sectors, we face significant challenges attracting and retaining permanent staff with the right skills and motivation to deliver the levels of care we aspire to. This shortfall leads to an over-reliance on agency staff, which is both expensive and unsatisfactory.

Other challenges include meeting the requirements of regulators and commissioners including the CQC, Local Authorities and Charity Commission; protecting our reputation and developing the capacity to accommodate changes in the market place and in technology and the digital environment.

The Trustees have adopted a number of ways to mitigate these risks. These include staying abreast of policy developments, building relations with local commissioners and working in partnership with families, residents, Local Authorities and CCGs to develop services in response to anticipated demand.

The charity also conducts customer service surveys among its residents, staff, health and social care professionals to monitor performance and guide future development, particularly over the use of appropriate technology.

### **PUBLIC BENEFIT**

We have referred to the guidance contained on the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. Further details regarding how the trustees have met this guidance are provided in the relevant sections of this report.

### **GOING CONCERN**

The financial statements have been prepared on the going concern basis. The trustees believe that the current level of reserves, together with the efficiency gains achieved at The Cedars and the prospect of the charity strengthening its reserves position by selling Castle Hill House, should present no material uncertainties about its ability to continue.

### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

Each trustee has taken 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 charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

## **Cedars Castle Hill**

### **Trustees' Report**

#### **AUDITOR**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Lanham & Francis as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 12 December 2023 and signed on its behalf by:

Mr M Thomas MSc  
Chairman

## **Cedars Castle Hill**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of Cedars Castle Hill for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 12 December 2023 and signed on its behalf by:

Mr M Thomas MSc  
Chairman

## **Cedars Castle Hill**

### **Independent Auditor's Report to the Members of Cedars Castle Hill**

#### **Opinion**

We have audited the financial statements of Cedars Castle Hill (the 'charity') for the year ended 31 March 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

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

## **Cedars Castle Hill**

### **Independent Auditor's Report to the Members of Cedars Castle Hill**

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

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

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 7), 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**

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.

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

## **Cedars Castle Hill**

### **Independent Auditor's Report to the Members of Cedars Castle Hill**

Procedures to identify risks:

- enquiring of Trustees and management concerning the Charity's procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas: posting of unusual journals; and
- obtaining an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the group. The key laws we considered in this context included UK Companies Act, Charities Act, employment law, health and safety, pensions legislation and tax legislation.

The procedures to respond to risks identified included:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of Trustees and management, concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing correspondence with HMRC, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

#### **Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Dodds (Senior Statutory Auditor)  
For and on behalf of Lanham & Francis, Statutory Auditor

Church House  
Church Street  
Yeovil  
Somerset  
BA20 1HB

20 December 2023

## Cedars Castle Hill

### Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	874	-	874
Charitable activities	4	1,917,138	-	1,917,138
Investment income	5	2,301	-	2,301
Other income	6	9,584	-	9,584
Total income		<u>1,929,897</u>	<u>-</u>	<u>1,929,897</u>
<b>Expenditure on:</b>				
Raising funds	7	(6,750)	-	(6,750)
Charitable activities	8	(2,361,730)	(4,259)	(2,365,989)
Total expenditure		<u>(2,368,480)</u>	<u>(4,259)</u>	<u>(2,372,739)</u>
Net expenditure		<u>(438,583)</u>	<u>(4,259)</u>	<u>(442,842)</u>
Net movement in funds		(438,583)	(4,259)	(442,842)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>1,885,045</u>	<u>121,856</u>	<u>2,006,901</u>
Total funds carried forward	23	<u>1,446,462</u>	<u>117,597</u>	<u>1,564,059</u>

The notes on pages 15 to 26 form an integral part of these financial statements.

## Cedars Castle Hill

### Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	10,798	-	10,798
Charitable activities	4	2,501,879	-	2,501,879
Investment income	5	32	-	32
Other income	6	<u>22,863</u>	-	<u>22,863</u>
Total income		<u>2,535,572</u>	-	<u>2,535,572</u>
<b>Expenditure on:</b>				
Raising funds	7	(7,821)	-	(7,821)
Charitable activities	8	<u>(2,260,405)</u>	<u>(4,259)</u>	<u>(2,264,664)</u>
Total expenditure		<u>(2,268,226)</u>	<u>(4,259)</u>	<u>(2,272,485)</u>
Net income/(expenditure)		<u>267,346</u>	<u>(4,259)</u>	<u>263,087</u>
Net movement in funds		267,346	(4,259)	263,087
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>1,617,699</u>	<u>126,115</u>	<u>1,743,814</u>
Total funds carried forward	23	<u>1,885,045</u>	<u>121,856</u>	<u>2,006,901</u>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 15 to 26 form an integral part of these financial statements.

## Cedars Castle Hill

**(Registration number: 3913377)**  
**Balance Sheet as at 31 March 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	15	1,811,445	2,015,304
<b>Current assets</b>			
Stocks	16	4,675	5,916
Debtors	17	102,819	136,945
Cash at bank and in hand	18	497,206	772,811
		604,700	915,672
<b>Creditors: Amounts falling due within one year</b>	19	(227,086)	(299,075)
<b>Net current assets</b>		377,614	616,597
<b>Total assets less current liabilities</b>		2,189,059	2,631,901
<b>Creditors: Amounts falling due after more than one year</b>	20	(625,000)	(625,000)
<b>Net assets</b>		1,564,059	2,006,901
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	23	117,597	121,856
<b>Unrestricted income funds</b>			
Unrestricted funds		1,446,462	1,885,045
<b>Total funds</b>	23	1,564,059	2,006,901

The financial statements on pages 11 to 27 were approved by the trustees, and authorised for issue on 12 December 2023 and signed on their behalf by:

Mr M Thomas MSc  
Chairman

The notes on pages 15 to 26 form an integral part of these financial statements.

## Cedars Castle Hill

### Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash (expenditure)/income		(442,842)	263,087
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		81,404	87,354
Investment income		(2,301)	(32)
Interest payable		6,750	7,821
Loss on disposal of tangible fixed assets		31,943	3,220
Impairment of fixed assets		<u>99,061</u>	<u>-</u>
		(225,985)	361,450
<b>Working capital adjustments</b>			
Decrease in stocks	16	1,241	1,887
Decrease in debtors	17	34,126	45,663
(Decrease)/increase in creditors	19	<u>(71,989)</u>	<u>3,304</u>
Net cash flows from operating activities		<u>(262,607)</u>	<u>412,304</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	2,301	32
Purchase of tangible fixed assets	15	<u>(8,549)</u>	<u>(12,444)</u>
Net cash flows from investing activities		<u>(6,248)</u>	<u>(12,412)</u>
<b>Cash flows from financing activities</b>			
Interest payable and similar charges	7	(6,750)	(7,821)
Repayment of loans and borrowings		<u>-</u>	<u>(32,790)</u>
Net cash flows from financing activities		<u>(6,750)</u>	<u>(40,611)</u>
Net (decrease)/increase in cash and cash equivalents		(275,605)	359,281
Cash and cash equivalents at 1 April		<u>772,811</u>	<u>413,530</u>
Cash and cash equivalents at 31 March		<u><u>497,206</u></u>	<u><u>772,811</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 26 form an integral part of these financial statements.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Cedars Nursing Home  
Angel Lane  
Shaftesbury  
Dorset  
SP7 8DF

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

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

##### Statement of compliance

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 (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### Basis of preparation

Cedars Castle Hill meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in Sterling, which is the functional currency of the charity. Monetary amounts in the financial statements are rounded to the nearest £1.

##### Going concern

The financial statements have been prepared on the going concern basis. The trustees believe that the current level of reserves, together with the efficiency gains achieved at The Cedars and the prospect of the charity strengthening its reserves position by selling Castle Hill House, should present no material uncertainties about its ability to continue.

##### Income and endowments

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

##### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### *Investment income*

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### *Raising funds*

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### *Charitable activities*

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

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £250.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold land and buildings	2% per annum, straight line basis
Fixtures and fittings	25% per annum, reducing balance basis

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### **Impairment of fixed assets**

FRS102 conveys the principle that fixed assets should be carried in the balance sheet at no more than their recoverable amount. Fixed assets are subject to an annual impairment review and other assets are reviewed if there are indicators of impairment. Impairment arises if the carrying amount is found to be greater than the higher of the net realisable value and the value-in-use. If impairment is identified an impairment adjustment is carried out.

Impairment is recognised in the Statement of Financial Activities as expenditure. An impairment loss recognised for all assets is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply. The reversal is limited to the difference between the revised recoverable amount and the carrying value. The reversal of impairment is included in the Statement of Financial Activities as a separate line within expenditure and is not netted off expenditure.

#### **Stock**

Stock is valued at cost. Cost is determined using the first-in, first-out (FIFO) method.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Concessionary loans**

Concessionary loans are valued at the amount received. Where loans are made with no repayment commitment, they are treated as being due after more than five years, unless it becomes likely that an event that will trigger early repayment occurs. Otherwise loan repayments are analysed in accordance with the loan terms.

#### **Provisions**

Provisions are recognised if the charity has a present obligation (legal or constructive) as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### Financial instruments

##### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

##### *Recognition and measurement*

Except for concessionary loans, the charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### 3 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Donations and legacies;		
Donations from individuals	874	874
<b>Total for 2023</b>	874	874
<b>Total for 2022</b>	10,798	10,798

#### 4 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Residential care	1,917,138	1,917,138
<b>Total for 2023</b>	1,917,138	1,917,138
<b>Total for 2022</b>	2,501,879	2,501,879

#### 5 Investment income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Interest receivable and similar income;		
Interest receivable on bank deposits	2,301	2,301
<b>Total for 2023</b>	2,301	2,301
<b>Total for 2022</b>	32	32

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 6 Other income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Rental income	9,584	9,584
<b>Total for 2023</b>	<b>9,584</b>	<b>9,584</b>
<b>Total for 2022</b>	<b>22,863</b>	<b>22,863</b>

#### 7 Expenditure on raising funds

##### Investment management costs

	<b>Note</b>	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Interest payable; Interest payable on other loans		6,750	6,750
<b>Total for 2023</b>		<b>6,750</b>	<b>6,750</b>
<b>Total for 2022</b>		<b>7,821</b>	<b>7,821</b>

#### 8 Expenditure on charitable activities

	<b>Note</b>	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Residential care		472,333	-	472,333
Legal and financial		14,468	-	14,468
Depreciation, amortisation and other similar costs		208,149	4,259	212,408
Staff costs		1,647,342	-	1,647,342
Governance costs	9	19,438	-	19,438
<b>Total for 2023</b>		<b>2,361,730</b>	<b>4,259</b>	<b>2,365,989</b>
<b>Total for 2022</b>		<b>2,260,405</b>	<b>4,259</b>	<b>2,264,664</b>

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 9 Analysis of governance and support costs

##### Governance costs

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Audit fees		
Audit of the financial statements	8,700	8,700
Other fees paid to auditors	4,088	4,088
Management fees	6,650	6,650
<b>Total for 2023</b>	<b>19,438</b>	<b>19,438</b>
<b>Total for 2022</b>	<b>19,900</b>	<b>19,900</b>

#### 10 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	<b>2023 £</b>	<b>2022 £</b>
Audit fees	8,700	9,600
Other non-audit services	4,088	4,800
Loss on disposal of tangible fixed assets	31,943	3,220
Impairment of fixed assets	99,061	-
Depreciation of fixed assets	81,404	87,354
Finance charges payable	6,750	7,821

#### 11 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

##### **Mrs E Westall BSc (Hons) Dip SW**

£Nil (2022: £152) of expenses were reimbursed to Mrs E Westall BSc (Hons) Dip SW during the year.

##### **Mr M Thomas MSc**

£584 (2022: £357) of expenses were reimbursed to Mr M Thomas MSc during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 12 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,519,653	1,575,119
Social security costs	104,325	116,292
Pension costs	<u>23,364</u>	<u>31,792</u>
	<u><u>1,647,342</u></u>	<u><u>1,723,203</u></u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Charitable activities	56	75
Administration	6	7
Trustees	<u>8</u>	<u>8</u>
	<u><u>70</u></u>	<u><u>90</u></u>

45 (2022 - 59) of the above employees participated in the Defined Contribution Pension Schemes.

All of the pension costs have been allocated to residential care.

Contributions to the employee pension schemes for the year totalled £23,364 (2022 - £31,792).

The number of employees whose emoluments fell within the following bands was:

	2023 No
£60,001 - £70,000	<u><u>1</u></u>

During the year the charity made the following transactions with key management personnel:

#### **Director of Homes**

The Director of Homes received remuneration of £69,470 (2022: £25,922)

The figure for the prior period represents only five months remuneration.

#### 13 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	<u>8,700</u>	<u>9,600</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u><u>4,088</u></u>	<u><u>4,800</u></u>

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 April 2022	2,921,594	398,383	3,319,977
Additions	-	8,549	8,549
Disposals	-	(173,130)	(173,130)
At 31 March 2023	2,921,594	233,802	3,155,396
<b>Depreciation</b>			
At 1 April 2022	1,004,247	300,426	1,304,673
Impairment	99,061	-	99,061
Charge for the year	55,832	25,572	81,404
Eliminated on disposals	-	(141,187)	(141,187)
At 31 March 2023	1,159,140	184,811	1,343,951
<b>Net book value</b>			
At 31 March 2023	1,762,454	48,991	1,811,445
At 31 March 2022	1,917,347	97,957	2,015,304

#### 16 Stock

	2023 £	2022 £
Stocks	4,675	5,916

#### 17 Debtors

	2023 £	2022 £
Trade debtors	62,208	58,826
Prepayments	36,900	34,203
Other debtors	3,711	43,916
	102,819	136,945

#### 18 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	382	719
Cash at bank	496,824	772,092
	497,206	772,811

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 19 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	79,600	79,602
Other loans	5,000	5,000
Other taxation and social security	38,044	69,256
Other creditors	77,005	111,650
Accruals	27,437	33,567
	227,086	299,075

#### 20 Creditors: amounts falling due after one year

	2023	2022
	£	£
Concessionary loans	625,000	625,000

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

	2023	2022
	£	£
Concessionary loans	625,000	625,000

Loans are secured by a fixed charge over the freehold property of the charity. At 31 March 2023 the freehold property had a net book value of £1,762,454 (2022 : £1,917,347).

Included in the creditors are the following amounts due after more than five years:

	2023	2022
	£	£
After more than five years not by instalments	625,000	625,000

#### Other loans after five years

Concessionary loan

Borrowing of £225,000 at 3% pa. No repayment due until 2045.

Concessionary loan

Borrowing of £200,000, interest free. No repayments due until 2045.

Concessionary loan

Borrowing of £200,000, interest free. Loan is only repayable should the properties be sold, transferred to another organisation, or ceased to be used as residential care homes.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 21 Obligations under leases and hire purchase contracts

##### Operating lease commitments

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

	2023 £	2022 £
<b>Other</b>		
Within one year	4,392	14,321
Between one and five years	16,104	57,284
After five years	-	7,065
	20,496	78,670

The amount of non-cancellable operating lease payments recognised as an expense during the year was £14,321 (2022 : £14,321).

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £23,364 (2022 - £31,792).

Contributions totalling £4,080 (2022 : £5,610) were payable to the scheme at the end of the year and are included in creditors.

#### 23 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>				
<i>General</i>				
General fund	1,885,045	1,929,897	(2,368,480)	1,446,462
<b>Restricted funds</b>				
Conservatory Fund - Castle Hill House	54,997	-	(1,450)	53,547
Dignity in Care - The Cedars	4,293	-	(122)	4,171
Dignity in Care - Castle Hill House	4,893	-	(129)	4,764
Sun Room - The Cedars	15,200	-	(400)	14,800
Extension - The Cedars	39,000	-	(1,000)	38,000
Sensory Table - The Cedars	3,473	-	(1,158)	2,315
<b>Total restricted funds</b>	121,856	-	(4,259)	117,597
<b>Total funds</b>	2,006,901	1,929,897	(2,372,739)	1,564,059

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>				
<i>General</i>				
General fund	1,617,699	2,535,572	(2,268,226)	1,885,045
<b>Restricted</b>				
Conservatory Fund - Castle Hill House	56,447	-	(1,450)	54,997
Dignity in Care - The Cedars	4,415	-	(122)	4,293
Dignity in Care - Castle Hill House	5,022	-	(129)	4,893
Sun Room - The Cedars	15,600	-	(400)	15,200
Extension - The Cedars	40,000	-	(1,000)	39,000
Sensory Table - The Cedars	4,631	-	(1,158)	3,473
<b>Total restricted funds</b>	<u>126,115</u>	<u>-</u>	<u>(4,259)</u>	<u>121,856</u>
<b>Total funds</b>	<u>1,743,814</u>	<u>2,535,572</u>	<u>(2,272,485)</u>	<u>2,006,901</u>

The specific purposes for which the funds are to be applied are as follows:

#### Conservatory fund – Castle Hill House

This arose from various donations for the purpose of constructing a conservatory at Castle Hill House. The donations have been fully utilised for this purpose and the fund is now being written off at a rate of 2% per annum in line with the underlying assets.

#### Dignity in Care – The Cedars and Castle Hill House

These funds arose from capital grants from Dignity in Care for the sole purpose of improving the outside decking and patio areas for residents. The grants were fully utilised within the time restriction placed on them and the funds are now being written off at a rate of 2% per annum in line with the underlying assets.

#### Sun Room – The Cedars

A donation was received to help towards the creation of the sun room at The Cedars. The donation has been fully utilised and the fund is now being written off at a rate of 2% per annum in line with the underlying assets.

#### Extension - The Cedars

Two grants were received in respect of the building of the extension at The Cedars. Following completion, the funds are now being written off at the rate of 2% per annum in line with the underlying assets.

#### Sensory Table - The Cedars

A donation was received allowing for the acquisition of a sensory table. The donation has been fully utilised and the fund is being written off at a rate of 25% per annum in line with the underlying asset.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 24 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2023 £
Tangible fixed assets	1,693,848	117,597	1,811,445
Current assets	604,700	-	604,700
Current liabilities	(227,086)	-	(227,086)
Creditors over 1 year	(625,000)	-	(625,000)
	<u>1,446,462</u>	<u>117,597</u>	<u>1,564,059</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2022 £
Tangible fixed assets	1,893,448	121,856	2,015,304
Current assets	915,672	-	915,672
Current liabilities	(299,075)	-	(299,075)
Creditors over 1 year	(625,000)	-	(625,000)
	<u>1,885,045</u>	<u>121,856</u>	<u>2,006,901</u>

#### 25 Analysis of net funds

	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash at bank and in hand	772,811	(275,605)	497,206
Debt due after more than one year	(625,000)	-	(625,000)
	<u>147,811</u>	<u>(275,605)</u>	<u>(127,794)</u>
	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	413,530	359,281	772,811
Debt due within one year	(12,051)	12,051	-
Debt due after more than one year	(645,739)	20,739	(625,000)
	<u>(244,260)</u>	<u>392,071</u>	<u>147,811</u>

#### 26 Related party transactions

During the year the charity made the following related party transactions:

##### Mr M Thomas

(Trustee)

Expenses claimed totalling £584. At the balance sheet date the amount due to/from Mr M Thomas was £Nil (2022 - £Nil).

## Cedars Castle Hill

### Detailed Statement of Financial Activities for the Year Ended 31 March 2023

	<b>Total 2023 £</b>	<b>Total 2022 £</b>
<b>Income and Endowments from:</b>		
Donations and legacies	874	10,798
Charitable activities	1,917,138	2,501,879
Investment income	2,301	32
Other income	9,584	22,863
<b>Total Income</b>	<b>1,929,897</b>	<b>2,535,572</b>
<b>Expenditure on:</b>		
Wages and salaries	1,519,653	1,575,119
Social security costs	104,325	116,292
Pension costs	23,364	31,792
Interest payable and similar charges	6,750	7,821
Household and medical costs	196,467	178,783
Rent	2,475	9,450
Repairs and maintenance	84,359	69,250
Staff training and recruitment	11,517	26,556
Rates, water, light and heat	96,604	66,300
Telephone and fax	6,647	8,013
Printing, postage and stationery	5,456	9,414
Trade subscriptions	41,267	32,094
Sundry expenses	13,886	8,440
Travel and subsistence	1,127	1,033
Advertising	12,528	3,728
Legal and professional fees	12,168	4,653
Bad debts written off	1,139	11,997
Bank charges	1,161	1,276
Depreciation, amortisation and other similar costs	212,408	90,574
Auditors' remuneration	12,788	14,400
Management fees	6,650	5,500
<b>Total Expenditure</b>	<b>2,372,739</b>	<b>2,272,485</b>
Net (expenditure)/income	<b>(442,842)</b>	<b>263,087</b>
Net movement in funds	<b>(442,842)</b>	<b>263,087</b>
<b>Reconciliation of funds</b>		
Total funds brought forward	<b>2,006,901</b>	<b>1,743,814</b>
Total funds carried forward	<b>1,564,059</b>	<b>2,006,901</b>

All of the charity's activities derive from continuing operations during the above two periods. The funds breakdown for 2022 is shown in note 23.

The notes on pages 15 to 26 form an integral part of these financial statements.

**CEDARS CASTLE HILL**

England & Wales - Charity number 1079718

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# Accounts

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Company registration number: 3913377

Charity registration number: 1079718

# Cedars Castle Hill

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Lanham & Francis  
Registered Auditors  
Church House  
Church Street  
Yeovil  
Somerset  
BA20 1HB

# **Cedars Castle Hill**

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# Cedars Castle Hill

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2022. These have been prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

### OBJECTIVES AND ACTIVITIES

#### *Objects and aims*

The main object of the charity is to provide care for the benefit of aged persons in Shaftesbury and the surrounding area, who are in need. There have been no changes in objectives since the last annual report.

The key objectives by which success is measured are to deliver high standards of care through committed, well-qualified and friendly staff at sustainable fee levels, while maintaining a prudent level of reserves. In support of these objectives, Cedars Castle Hill (CCH) runs two homes; Castle Hill House (CHH) provides residential care and the Cedars Nursing Home (CED) specialises in providing skilled nursing care. The Homes are primarily for the elderly and disabled, including those in need of dementia care.

In furthering these objectives, the trustees have complied with the duty under s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance covering the operation of the Public Benefit under that Act.

### ACHIEVEMENTS AND PERFORMANCE

#### *Review of charitable activities undertaken*

Despite the ongoing challenges presented by the Covid-19 pandemic, the year saw continued high levels of fee income and occupancy, as a result of which CCH achieved a net surplus of £263,087 and strengthened its reserves position by the end of the year. Further details are contained within the financial review.

Looking back over the last two years, the pandemic triggered a strong culture of self-reliance within the two homes. Ahead of official guidance we decided to suspend family visits and to refuse to accept new residents unless they had been fully assessed and we were confident we could meet their needs safely. Later, once resources became available, we ensured our residents and staff were frequently tested and offered vaccinations. As a result of these measures, our high vaccination rate and the dedication of our staff, there were no Covid-related deaths among residents and staff and the need to self-isolate was contained at a relatively low level.

The pandemic prompted a growing recognition of the key role played by the care sector in supporting the sorely over-stretched NHS. In the short term this triggered some welcome additional funding from Local Authorities and Central Government, which enabled us to deliver care on a financially sustainable basis. It also prompted a renewed commitment to reform the funding of adult social care including capping personal care costs and requiring local authorities to pay a "fair price" for care services in future. Regrettably, the Covid-support funds have since been withdrawn and the sums that have been allocated to deliver these reforms fall well short of what is needed to cover rising costs and deliver the ambitious market reshaping that is planned.

The year saw some significant changes on the organisation front, including Sara Jacson stepping down as Chair at the November AGM after serving 13 years in this role. During a lunch given in her honour, the trustees marked both the challenges faced by the homes over her period of office and the achievements, particularly the number of people whose lives had been enhanced by the creation and expansion of CCH. The Board paid tribute to the common-sense, hands-on, approach Sara had brought to tackling these challenges and for her unwavering commitment to providing homely, people-centred, care for the frail and elderly of Shaftesbury. We also bade farewell to Richard Keenlyside, who stepped down from the Board at the AGM. We are grateful for his active involvement and wise counsel, particularly over property issues, during his term as trustee.

# Cedars Castle Hill

## Trustees' Report

After a detailed search conducted by recruitment consultants, the Board duly welcomed Martin Thomas as the new Chair in November 2021. Following a successful commercial career in the health, social care and special needs sectors, Martin brings extensive operational and strategic experience of managing complex care delivery issues. We also welcomed Carol Mayers as our new Director of Homes in October 2021, as previously reported. Carol brings 22 years' experience of providing care services for vulnerable and young people and for those with learning disabilities and with managing domiciliary, residential and nursing care homes.

We are again grateful for the support we received from our Senior Management Team in carrying out the day-to-day running of our homes during this challenging period. We are also thankful for the hard work put in by our staff - particularly for their readiness to embrace change and to take on extra duties while their colleagues were self-isolating.

### **FINANCIAL REVIEW**

The results for the year show a surplus of £263,087 (2021 : £288,961). Closing reserves of £2,006,901 (2021 : £1,743,814) include restricted funds amounting to £121,856 (2021 : £126,115).

Within the above figures the charity held free reserves amounting to £616,597 (2021 : £308,170).

#### ***Policy on reserves***

The term 'free reserves' applies to those unrestricted funds, which are neither committed nor invested in tangible fixed assets (net of long term loans). The trustees' goal is that these should be broadly equivalent to three months running costs.

The trustees also aim to build up additional reserves where possible in order to contribute to individual capital projects to improve the charity's facilities in the light of changing and expanding needs for its services. When such projects are planned, specific fundraising campaigns are also undertaken.

The trustees recognise that certain loans, which are secured against the charity's assets, are repayable from 2045, or earlier if certain circumstances arise.

Ongoing measures to achieve the target for free reserves include the delivery of high service standards at sustainable fee levels, while maintaining strict cost control.

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

The principal source of the charity's income is the fees it charges for care services. The beneficiaries are individuals who are in need of residential, respite, rehabilitation or nursing care. Cedars Castle Hill has contractual arrangements with individuals, local authorities and clinical commissioning groups (CCGs), with around half of its current residents being partially or wholly funded by Social Services and/or the NHS.

As in previous years, we would again like to express our thanks to the Hewer-White (previously the Marshall-Grant) and William Williams Trusts for their continued financial support, which enabled us to build the extensions to the two homes.

#### ***Investment policy and objectives***

Under the Memorandum and Articles of the charity, the trustees have the power to make any investments which they see fit.

## Cedars Castle Hill

### Trustees' Report

#### FUTURE PLANS

##### *Aims and key objectives for future periods*

The trustees aim to continue providing residential and nursing care for the benefit of aged people who are in need in Shaftesbury and the surrounding area.

The key indicators against which success will be measured include delivering service standards that will achieve at least an overall “good” rating, improving occupancy rates, keeping costs under control, monitoring cash flow closely (particularly the bad debt position), charging appropriate fees and maintaining a work environment that will attract and retain friendly, high quality staff.

#### REFERENCE AND ADMINISTRATIVE DETAILS

<b>Chair</b>	Mrs S D Jacson MBE (retired November 2021) Mr M Thomas MSc (appointed November 2021)
<b>Deputy Chair</b>	Mrs E Westall BSc (Hons) Dip SW
<b>Other Trustees</b>	Mr M G Golberg MA (Oxon) CQSW Mrs P A Hobbs SRN Dr S Daddy MB.BS MRCS.LRCP Mr M J Hall BA (Hons) Mrs R M Blacklock MA Cantab Mr R S Keenlyside BSc (Hons) MRICS (resigned 3 May 2022)
<b>Principal Office</b>	Castle Hill House Bimport Shaftesbury Dorset SP7 8AX  The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	3913377
<b>Charity Registration Number</b>	1079718
<b>Solicitors</b>	Messrs Rutter & Co 2 Bimport Shaftesbury Dorset SP7 8AY
<b>Auditor</b>	Lanham & Francis Registered Auditors Church House Church Street Yeovil Somerset BA20 1HB

# **Cedars Castle Hill**

## **Trustees' Report**

### **NATURE OF GOVERNING DOCUMENT**

Cedars Castle Hill was incorporated on 25 January 2000 under the Companies Act and the liability of its members is limited to £1. The registered charity was founded on 7 March 2000. The charity registration number is 1079718.

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

#### ***Recruitment and appointment of trustees***

The management of the company is the responsibility of the trustees, who are elected or co-opted under the terms of the Memorandum and Articles of Association of the charity. Trustees are elected at the Annual General Meeting for a three year term. The Board carries out an annual skills audit to ensure that there is appropriate expertise among its members. If there is a gap in skills, a specific recruitment drive will take place. Applicants are interviewed and recommendations are put to the Board for approval. The trustees have the power to co-opt any person duly qualified to be appointed as an additional trustee, but a co-opted trustee holds office only until the next Annual General Meeting.

#### ***Induction and training of trustees***

The Board is currently updating its induction process for new trustees. Training requirements are regularly reviewed and trustees are offered training when considered necessary.

#### ***Arrangements for setting key management personnel remuneration***

The performance of key management staff is reviewed on an annual basis through a formal annual performance review system. The review of the Director of Homes is carried out by the chairman and two other trustees. Remuneration levels reflect a number of factors including performance ratings, market rates and the financial position of the charity

#### ***Organisational structure***

The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association, the chairman of the trustees is nominated by the trustees, who are elected annually by the members of the charity attending the Annual General Meeting. Trustees serve for renewable three year terms.

The trustees have a duty to put the day to day running of the homes in the hands of one or more suitably qualified registered managers. Carol Mayers was appointed Director of Homes in October 2021.

The trustees meet on a quarterly basis to administer the charity. These meetings are attended by senior staff. Much detailed work is undertaken in the Board's two Standing Committees; the Care Committee overseeing care policy and procedures and the Finance and Strategy Committee, which is responsible for overseeing financial management and reviewing options for strategic development of the charity and the services it provides.

# **Cedars Castle Hill**

## **Trustees' Report**

### ***Principal risks and uncertainties***

The principal risks and uncertainties faced by the charity include the readiness of Government to fund the sector adequately, managing the long term consequences of the pandemic (particularly its contribution to labour shortages) and rising costs (particularly wages and energy) over which it has little control.

Despite the Government's renewed commitment to funding the "fair price of care" there remain doubts about its capacity and readiness to release sufficient funds to achieve this. This is a significant issue for CCH where around half our residents are funded in this way.

Along with many other care providers and sectors, we face significant challenges attracting and retaining permanent staff with the right skills and motivation to deliver the levels of care we aspire to. This shortfall leads to an over-reliance on agency staff, which is both expensive and unsatisfactory.

Other challenges include meeting the requirements of regulators and commissioners including the CQC, Local Authorities and Charity Commission; protecting our reputation and developing the capacity to accommodate changes in the market place and in technology and the digital environment.

The trustees have adopted a number of ways to mitigate these risks. These include staying abreast of policy developments, building relations with local commissioners, delivering service standards that will achieve at least an overall 'good' rating, improving occupancy rates, keeping costs under control, monitoring cash flow closely, charging sustainable fees and maintaining a work environment that will attract and retain high quality staff.

CCH responds to the needs of its users by working in partnership with families, residents, Local Authorities and CCGs to develop and provide services in response to anticipated demand. It conducts customer service surveys among its residents, staff, health and social care professionals to monitor performance and guide future development, particularly over the use of appropriate technology.

### **PUBLIC BENEFIT**

We have referred to the guidance contained on the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. Further details regarding how the trustees have met this guidance are provided in the relevant sections of this report.

### **GOING CONCERN**

The financial statements have been prepared on the going concern basis. Despite the mounting challenges presented by current inflation levels, staff shortages, the Government's reluctance to resource its social care reform programme adequately and lower than expected occupancy levels, the trustees believe that, having taken pre-emptive action by closing Castle Hill House, the current programme of strict cost control and the improved reserves position, there are no material uncertainties about the charity's ability to continue.

### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

Each trustee has taken 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 charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

## **Cedars Castle Hill**

### **Trustees' Report**

#### **AUDITOR**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Lanham & Francis as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

#### **IMPORTANT NON-ADJUSTING EVENTS AFTER THE FINANCIAL PERIOD**

As reported elsewhere in these financial statements, a number of factors including staff shortages, rising costs and lower than expected occupancy rates, have had a negative impact on CCH's recent financial performance resulting in a growing deficit. This prompted our new Chair, Martin Thomas, to initiate a review of our financial and operational performance, the challenges we are facing and the options open to us.

As a result of this review, the trustees decided to take pre-emptive action and close Castle Hill House, our 15-bed residential care home in Bimport, and to combine our residential and nursing activities under one roof at the Cedars, our 31- bed home in Angel Lane. Happily, all our then residents at Castle Hill House accepted transfers to ground floor rooms at the Cedars, where they continue to be surrounded by those they know well and are cared for by staff who are familiar to them. Following the transfer, Castle Hill House has been "mothballed" while its long term future is being decided.

The annual report was approved by the trustees of the charity on 12 December 2022 and signed on its behalf by:

Mr M Thomas MSc  
Chairman

## **Cedars Castle Hill**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of Cedars Castle Hill for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Approved by the trustees of the charity on 12 December 2022 and signed on its behalf by:

Mr M Thomas MSc  
Chairman

## **Cedars Castle Hill**

### **Independent Auditor's Report to the Members of Cedars Castle Hill**

#### **Opinion**

We have audited the financial statements of Cedars Castle Hill (the 'charity') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

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

## **Cedars Castle Hill**

### **Independent Auditor's Report to the Members of Cedars Castle Hill**

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 7), 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'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.

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

## **Cedars Castle Hill**

### **Independent Auditor's Report to the Members of Cedars Castle Hill**

Procedures to identify risks:

- enquiring of Trustees and management concerning the Charity's procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas: posting of unusual journals; and
- obtaining an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the group. The key laws we considered in this context included UK Companies Act, Charities Act, employment law, health and safety, pensions legislation and tax legislation.

The procedures to respond to risks identified included:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of Trustees and management, concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing correspondence with HMRC, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Dodds (Senior Statutory Auditor)  
For and on behalf of Lanham & Francis, Statutory Auditor

Church House  
Church Street  
Yeovil  
Somerset  
BA20 1HB

22 December 2022

## Cedars Castle Hill

### Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies (including exceptional income)	3	10,798	-	10,798
Charitable activities	4	2,501,879	-	2,501,879
Investment income	5	32	-	32
Other income	6	<u>22,863</u>	<u>-</u>	<u>22,863</u>
Total income		<u>2,535,572</u>	<u>-</u>	<u>2,535,572</u>
<b>Expenditure on:</b>				
Raising funds	7	(7,821)	-	(7,821)
Charitable activities	8	<u>(2,260,405)</u>	<u>(4,259)</u>	<u>(2,264,664)</u>
Total expenditure		<u>(2,268,226)</u>	<u>(4,259)</u>	<u>(2,272,485)</u>
Net income/(expenditure)		<u>267,346</u>	<u>(4,259)</u>	<u>263,087</u>
Net movement in funds		267,346	(4,259)	263,087
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>1,617,699</u>	<u>126,115</u>	<u>1,743,814</u>
Total funds carried forward	23	<u><u>1,885,045</u></u>	<u><u>121,856</u></u>	<u><u>2,006,901</u></u>

The notes on pages 15 to 27 form an integral part of these financial statements.

## Cedars Castle Hill

### Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	1,475	6,175	7,650
Charitable activities	4	2,564,907	-	2,564,907
Investment income	5	11	-	11
Other income	6	12,056	-	12,056
Total income		<u>2,578,449</u>	<u>6,175</u>	<u>2,584,624</u>
<b>Expenditure on:</b>				
Raising funds	7	(6,790)	-	(6,790)
Charitable activities	8	(2,284,228)	(4,645)	(2,288,873)
Total expenditure		<u>(2,291,018)</u>	<u>(4,645)</u>	<u>(2,295,663)</u>
Net income		287,431	1,530	288,961
Transfers between funds		995	(995)	-
Net movement in funds		288,426	535	288,961
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>1,329,273</u>	<u>125,580</u>	<u>1,454,853</u>
Total funds carried forward	23	<u>1,617,699</u>	<u>126,115</u>	<u>1,743,814</u>

All of the charity's activities derive from continuing operations during the above two periods.

## Cedars Castle Hill

### (Registration number: 3913377) Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	15	2,015,304	2,093,434
<b>Current assets</b>			
Stocks	16	5,916	7,803
Debtors	17	136,945	182,608
Cash at bank and in hand	18	<u>772,811</u>	<u>413,530</u>
		915,672	603,941
<b>Creditors: Amounts falling due within one year</b>	19	<u>(299,075)</u>	<u>(307,822)</u>
<b>Net current assets</b>		<u>616,597</u>	<u>296,119</u>
<b>Total assets less current liabilities</b>		2,631,901	2,389,553
<b>Creditors: Amounts falling due after more than one year</b>	20	<u>(625,000)</u>	<u>(645,739)</u>
<b>Net assets</b>		<u>2,006,901</u>	<u>1,743,814</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	23	121,856	126,115
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>1,885,045</u>	<u>1,617,699</u>
<b>Total funds</b>	23	<u>2,006,901</u>	<u>1,743,814</u>

The financial statements on pages 11 to 28 were approved by the trustees, and authorised for issue on 12 December 2022 and signed on their behalf by:

Mr M Thomas MSc  
Chairman

## Cedars Castle Hill

### Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash income		263,087	288,961
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		87,354	85,135
Investment income		(32)	(11)
Interest payable		7,821	6,790
Loss on disposal of tangible fixed assets		3,220	5,928
		361,450	386,803
<b>Working capital adjustments</b>			
Decrease in stocks	16	1,887	3,140
Decrease in debtors	17	45,663	8,876
Increase in creditors	19	3,304	37,836
		412,304	436,655
<b>Net cash flows from operating activities</b>			
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	32	11
Purchase of tangible fixed assets	15	(12,444)	(81,312)
		(12,412)	(81,301)
<b>Net cash flows from investing activities</b>			
<b>Cash flows from financing activities</b>			
Interest payable and similar charges	7	(7,821)	(6,790)
Value of new loans obtained during the period		-	37,000
Repayment of loans and borrowings		(32,790)	(4,210)
		(40,611)	26,000
<b>Net cash flows from financing activities</b>			
Net increase in cash and cash equivalents		359,281	381,354
Cash and cash equivalents at 1 April		413,530	32,176
Cash and cash equivalents at 31 March		772,811	413,530

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 27 form an integral part of these financial statements.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Castle Hill House

Bimport

Shaftesbury

Dorset

SP7 8AX

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

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

##### Statement of compliance

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 (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### Basis of preparation

Cedars Castle Hill meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in Sterling, which is the functional currency of the charity. Monetary amounts in the financial statements are rounded to the nearest £1.

##### Going concern

The financial statements have been prepared on the going concern basis. Given the year end result, improved reserves position and CQC rating, the trustees believe there are no material uncertainties about the charity's ability to continue following their pre-emptive decision to close Castle Hill House.

##### Income and endowments

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

##### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## **Cedars Castle Hill**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### ***Investment income***

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

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

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### Tangible fixed assets

Individual fixed assets costing £250.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	2% per annum, straight line basis
Fixtures and fittings	25% per annum, reducing balance basis

#### Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO) method.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Concessionary loans

Concessionary loans are valued at the amount received. Where loans are made with no repayment commitment, they are treated as being due after more than five years, unless it becomes likely that an event that will trigger early repayment occurs. Otherwise loan repayments are analysed in accordance with the loan terms.

#### Provisions

Provisions are recognised if the charity has a present obligation (legal or constructive) as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### Financial instruments

##### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

##### *Recognition and measurement*

Except for concessionary loans, the charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### 3 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Donations and legacies;			
Donations from individuals	10,798	-	10,798
<b>Total for 2022</b>	10,798	-	10,798
<b>Total for 2021</b>	1,475	6,175	7,650

#### 4 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Residential care	2,501,879	2,501,879
<b>Total for 2022</b>	2,501,879	2,501,879
<b>Total for 2021</b>	2,564,907	2,564,907

#### 5 Investment income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Interest receivable and similar income;		
Interest receivable on bank deposits	32	32
<b>Total for 2022</b>	32	32
<b>Total for 2021</b>	11	11

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 6 Other income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Rental income	22,863	22,863
<b>Total for 2022</b>	22,863	22,863
<b>Total for 2021</b>	12,056	12,056

#### 7 Expenditure on raising funds

##### Investment management costs

	<b>Note</b>	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Interest payable; Interest payable on other loans		7,821	7,821
<b>Total for 2022</b>		7,821	7,821
<b>Total for 2021</b>		6,790	6,790

#### 8 Expenditure on charitable activities

	<b>Note</b>	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Residential care		413,061	-	413,061
Legal and financial		17,926	-	17,926
Depreciation, amortisation and other similar costs		86,315	4,259	90,574
Staff costs		1,723,203	-	1,723,203
Governance costs	9	19,900	-	19,900
<b>Total for 2022</b>		2,260,405	4,259	2,264,664
<b>Total for 2021</b>		2,284,228	4,645	2,288,873

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 9 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total funds £
Audit fees		
Audit of the financial statements	9,600	9,600
Other fees paid to auditors	4,800	4,800
Management fees	5,500	5,500
<b>Total for 2022</b>	<u>19,900</u>	<u>19,900</u>
<b>Total for 2021</b>	<u>18,790</u>	<u>18,790</u>

#### 10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Audit fees	9,600	9,400
Other non-audit services	4,800	4,550
Loss on disposal of tangible fixed assets	3,220	5,928
Depreciation of fixed assets	87,354	85,135
Finance charges payable	<u>7,821</u>	<u>6,790</u>

#### 11 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

##### **Mrs E Westall BSc (Hons) Dip SW**

£152 (2021: £Nil) of expenses were reimbursed to Mrs E Westall BSc (Hons) Dip SW during the year.

##### **Mr M Thomas MSc**

£357 (2021: £Nil) of expenses were reimbursed to Mr M Thomas MSc during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 12 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,575,119	1,608,813
Social security costs	116,292	117,021
Pension costs	31,792	28,376
	<u>1,723,203</u>	<u>1,754,210</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Charitable activities	75	87
Administration	7	9
Trustees	8	8
	<u>90</u>	<u>104</u>

59 (2021 - 67) of the above employees participated in the Defined Contribution Pension Schemes.

All of the pension costs have been allocated to residential care.

Contributions to the employee pension schemes for the year totalled £31,792 (2021 - £28,376).

No employee received emoluments of more than £60,000 during the year.

#### 13 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	<u>9,600</u>	<u>9,400</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>4,800</u>	<u>4,550</u>

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 April 2021	2,921,594	405,875	3,327,469
Additions	-	12,444	12,444
Disposals	-	(19,420)	(19,420)
	2,921,594	398,899	3,320,493
At 31 March 2022	2,921,594	398,899	3,320,493
<b>Depreciation</b>			
At 1 April 2021	948,414	285,621	1,234,035
Charge for the year	55,833	31,521	87,354
Eliminated on disposals	-	(16,200)	(16,200)
	1,004,247	300,942	1,305,189
At 31 March 2022	1,004,247	300,942	1,305,189
<b>Net book value</b>			
At 31 March 2022	1,917,347	97,957	2,015,304
At 31 March 2021	1,973,180	120,254	2,093,434

#### 16 Stock

	2022 £	2021 £
Stocks	5,916	7,803

#### 17 Debtors

	2022 £	2021 £
Trade debtors	58,826	158,687
Prepayments	34,203	21,585
Other debtors	43,916	2,336
	136,945	182,608
	136,945	182,608

#### 18 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	719	535
Cash at bank	772,092	412,995
	772,811	413,530
	772,811	413,530

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 19 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	-	12,051
Trade creditors	79,602	56,830
Other loans	5,000	5,000
Other taxation and social security	69,256	62,874
Other creditors	111,650	130,553
Accruals	33,567	40,514
	299,075	307,822

#### 20 Creditors: amounts falling due after one year

	2022 £	2021 £
Bank loans	-	20,739
Concessionary loans	625,000	625,000
	625,000	645,739

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

	2022 £	2021 £
Concessionary loans	625,000	625,000

Loans are secured by a fixed charge over the freehold property of the charity. At 31 March 2022 the freehold property had a net book value of £1,917,347 (2021 : £1,973,180).

Included in the creditors are the following amounts due after more than five years:

	2022 £	2021 £
After more than five years not by instalments	625,000	625,000

#### Other loans after five years

Concessionary loan

Borrowing of £225,000 at 3% pa. No repayment due until 2045.

Concessionary loan

Borrowing of £200,000, interest free. No repayments due until 2045.

Concessionary loan

Borrowing of £200,000, interest free. Loan is only repayable should the properties be sold, transferred to another organisation, or ceased to be used as residential care homes.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 21 Obligations under leases and hire purchase contracts

##### Operating lease commitments

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

	2022 £	2021 £
<b>Other</b>		
Within one year	14,321	14,321
Between one and five years	57,284	57,284
After five years	7,065	21,386
	78,670	92,991

The amount of non-cancellable operating lease payments recognised as an expense during the year was £14,321 (2021 : £18,102).

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £31,792 (2021 - £28,376).

Contributions totalling £5,610 (2021 : £6,305) were payable to the scheme at the end of the year and are included in creditors.

#### 23 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
<b>Unrestricted</b>				
<i>General</i>				
General fund	1,617,699	2,535,572	(2,268,226)	1,885,045
<b>Restricted</b>				
Conservatory Fund - Castle Hill House	56,447	-	(1,450)	54,997
Dignity in Care - The Cedars	4,415	-	(122)	4,293
Dignity in Care - Castle Hill House	5,022	-	(129)	4,893
Sun Room - Castle Hill House	15,600	-	(400)	15,200
Extension - The Cedars	40,000	-	(1,000)	39,000
Sensory Table - The Cedars	4,631	-	(1,158)	3,473
	126,115	-	(4,259)	121,856
<b>Total restricted</b>				
	1,743,814	2,535,572	(2,272,485)	2,006,901
<b>Total funds</b>				

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2022

	<b>Balance at 1 April 2020 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2021 £</b>
<b>Unrestricted</b>					
<i>General</i>					
General fund	1,329,273	2,584,624	(2,297,193)	995	1,617,699
<b>Restricted</b>					
Conservatory Fund - Castle Hill House	57,897	-	(1,450)	-	56,447
Dignity in Care - The Cedars	4,537	-	(122)	-	4,415
Dignity in Care - Castle Hill House	5,151	-	(129)	-	5,022
Sun Room - Castle Hill House	16,000	-	(400)	-	15,600
Extension - The Cedars	41,000	-	(1,000)	-	40,000
Sensory Table - The Cedars	-	6,175	(1,544)	-	4,631
Staff Welfare - The Cedars	995	-	-	(995)	-
<b>Total restricted</b>	<u>125,580</u>	<u>6,175</u>	<u>(4,645)</u>	<u>(995)</u>	<u>126,115</u>
<b>Total funds</b>	<u>1,454,853</u>	<u>2,590,799</u>	<u>(2,301,838)</u>	<u>-</u>	<u>1,743,814</u>

The specific purposes for which the funds are to be applied are as follows:

#### Conservatory fund – Castle Hill House

This arose from various donations for the purpose of constructing a conservatory at Castle Hill House. The donations have been fully utilised for this purpose and the fund is now being written off at a rate of 2% per annum in line with the underlying assets.

#### Dignity in Care – The Cedars and Castle Hill House

These funds arose from capital grants from Dignity in Care for the sole purpose of improving the outside decking and patio areas for residents. The grants were fully utilised within the time restriction placed on them and the funds are now being written off at a rate of 2% per annum in line with the underlying assets.

#### Sun Room – The Cedars

A donation was received to help towards the creation of the sun room at The Cedars. The donation has been fully utilised and the fund is now being written off at a rate of 2% per annum in line with the underlying assets.

#### Extension - The Cedars

Two grants were received in respect of the building of the extension at The Cedars. Following completion, the funds are now being written off at the rate of 2% per annum in line with the underlying assets.

#### Sensory Table - The Cedars

A donation was received allowing for the acquisition of a sensory table. The donation has been fully utilised and the fund is being written off at a rate of 25% per annum in line with the underlying asset.

#### Staff Welfare - The Cedars

This arose from donations received for the benefit of staff at The Cedars. The money is no longer considered to be restricted and has been transferred to general funds.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 24 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2022 £
Tangible fixed assets	1,893,448	121,856	2,015,304
Current assets	915,672	-	915,672
Current liabilities	(299,075)	-	(299,075)
Creditors over 1 year	(625,000)	-	(625,000)
<b>Total net assets</b>	<b>1,885,045</b>	<b>121,856</b>	<b>2,006,901</b>

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2021 £
Tangible fixed assets	1,967,319	126,115	2,093,434
Current assets	603,941	-	603,941
Current liabilities	(307,822)	-	(307,822)
Creditors over 1 year	(645,739)	-	(645,739)
<b>Total net assets</b>	<b>1,617,699</b>	<b>126,115</b>	<b>1,743,814</b>

#### 25 Analysis of net funds

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	413,530	359,281	772,811
Debt due within one year	(12,051)	12,051	-
Debt due after more than one year	(645,739)	20,739	(625,000)
<b>Net (debt)/funds</b>	<b>(244,260)</b>	<b>392,071</b>	<b>147,811</b>

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	32,176	381,354	413,530
Debt due within one year	-	(12,051)	(12,051)
Debt due after more than one year	(625,000)	(20,739)	(645,739)
<b>Net debt</b>	<b>(592,824)</b>	<b>348,564</b>	<b>(244,260)</b>

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### **26 Related party transactions**

During the year the charity made the following related party transactions:

##### **Mrs E Westall**

(Trustee)

Expenses claimed totalling £152. At the balance sheet date the amount due to/from Mrs E Westall was £Nil (2021 - £Nil).

##### **Mr M Thomas**

(Trustee)

Expenses claimed totalling £357. At the balance sheet date the amount due to/from Mr M Thomas was £Nil (2021 - £Nil).

#### **27 Non-adjusting events after the financial period**

As reported elsewhere in these financial statements, a number of factors including staff shortages, rising costs and lower than expected occupancy rates, have had a negative impact on CCH's recent financial performance resulting in a growing deficit. This prompted our new Chair, Martin Thomas, to initiate a review of our financial and operational performance, the challenges we are facing and the options open to us.

As a result of this review, the trustees decided to take pre-emptive action and close Castle Hill House, our 15-bed residential care home in Bimport, and to combine our residential and nursing activities under one roof at the Cedars, our 31-bed home in Angel Lane. Happily, all our then residents at Castle Hill House accepted transfers to ground floor rooms at the Cedars, where they continue to be surrounded by those they know well and are cared for by staff who are familiar to them. Following the transfer, Castle Hill House has been "mothballed" while its long term future is being decided.

## Cedars Castle Hill

### Detailed Statement of Financial Activities for the Year Ended 31 March 2022

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>Income and Endowments from:</b>		
Donations and legacies	10,798	7,650
Charitable activities	2,501,879	2,564,907
Investment income	32	11
Other income	22,863	12,056
<b>Total Income</b>	<b>2,535,572</b>	<b>2,584,624</b>
<b>Expenditure on:</b>		
Wages and salaries	1,575,119	1,608,813
Social security costs	116,292	117,021
Pension costs	31,792	28,376
Interest payable and similar charges	7,821	6,790
Household and medical costs	178,783	186,501
Rent	9,450	-
Repairs and maintenance	69,250	69,199
Staff training and recruitment	26,556	36,336
Rates, water, light and heat	66,300	63,168
Telephone and fax	8,013	5,616
Printing, postage and stationery	9,414	11,283
Trade subscriptions	32,094	32,790
Sundry expenses	8,440	9,065
Travel and subsistence	1,033	599
Advertising	3,728	5,509
Legal and professional fees	4,653	3,071
Bad debts written off	11,997	-
Bank charges	1,276	1,673
Depreciation, amortisation and other similar costs	90,574	91,063
Auditors' remuneration	14,400	13,950
Management fees	5,500	4,840
<b>Total Expenditure</b>	<b>2,272,485</b>	<b>2,295,663</b>
<b>Net income</b>	<b>263,087</b>	<b>288,961</b>
<b>Net movement in funds</b>	<b>263,087</b>	<b>288,961</b>
<b>Reconciliation of funds</b>		
Total funds brought forward	1,743,814	1,454,853
Total funds carried forward	2,006,901	1,743,814

All of the charity's activities derive from continuing operations during the above two periods. The funds breakdown for 2021 is shown in note 23.

The notes on pages 15 to 27 form an integral part of these financial statements.

**CEDARS CASTLE HILL**

England & Wales - Charity number 1079718

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# Accounts

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Company registration number: 3913377

Charity registration number: 1079718

# Cedars Castle Hill

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Lanham & Francis  
Registered Auditors  
Church House  
Church Street  
Yeovil  
Somerset  
BA20 1HB

## **Cedars Castle Hill**

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# **Cedars Castle Hill**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2021. These have been prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

### **OBJECTIVES AND ACTIVITIES**

#### ***Objects and aims***

The main object of the charity is to provide care for the benefit of aged persons in Shaftesbury and the surrounding area, who are in need. There have been no changes in objectives since the last annual report.

The key objectives by which success is measured are delivering high service standards at sustainable fee levels, while maintaining a prudent level of reserves. In support of this, Cedars Castle Hill (CCH) runs two homes. Castle Hill House (CHH) provides residential care and the Cedars Nursing Home (CED) specialises in providing skilled nursing care. The Homes are primarily for the elderly and disabled, including those in need of demential care.

In furthering these objectives, the trustees have complied with the duty under s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance covering the operation of the Public Benefit under that Act.

### **ACHIEVEMENTS AND PERFORMANCE**

#### ***Review of charitable activities undertaken***

Despite the challenges presented by the Covid-19 pandemic, the year saw significant improvements in fee income and occupancy levels, as a result of which Cedars Castle Hill achieved a net surplus of £288,961 and strengthened its reserves position by the end of the year. Further details are contained within the financial review.

The pandemic triggered a strong culture of self-reliance within our homes, gratifying support from the local community (particularly in supplying scrubs) and some welcome additional funding from Local Authorities and Central Government to help mitigate Covid-related costs. This included fee uplifts for Local Authority funded residents and Infection Control Grants.

In response to the emerging threat, we decided to shut down our homes ahead of official guidance, to suspend family visits and to refuse to accept new residents, unless they had been fully assessed and we were confident we could meet their needs safely. Later, as soon as resources became available, we ensured our residents and staff were frequently tested and offered vaccinations. As a result of these measures, our high vaccination rate and our location in North Dorset, there were no Covid-related deaths among our residents and staff during the year, and the need for staff to self-isolate was contained at a relatively low level.

This year saw some changes on the organisational front, with Jenny Davies joining us as Head of Homes in April 2020, just as the pandemic was making its presence felt. Over the course of the year Jenny made a significant impact on CCH, capitalising on the opportunities presented by the pandemic, rationalising the Management structure, improving clinical performance (particularly through the introduction of electronic care plans), upgrading staff facilities and maintaining high morale. Sadly Jenny was only with us for 15 months before having to resign on grounds of ill health. The Board acted speedily to recruit her successor, Carol Mayers, who joined us in October 2021.

We are again grateful for the support we received from our Senior Management Team in carrying out the day-to-day running of our homes during the 3 months that preceded Jenny's arrival. We are also thankful for the hard work put in by staff over this challenging year - particularly for their readiness to embrace change and to take on extra duties while their colleagues were self-isolating.

# Cedars Castle Hill

## Trustees' Report

On the broader front, CCH continues to be one of the largest employers in Shaftesbury, our total numbers averaging 104 full and part-time posts during the year. In addition to the social and economic benefits the homes bring to the local community, we aim to recruit locally wherever we can, whilst welcoming workers from other countries to the extent possible under current immigration regulations. Training remains a key part of our commitment to develop the skills needed to realise individual potential and deliver high standards of personal care. We are proud that we remain well above the national target in terms of the car staff who have completed professional training.

### **FINANCIAL REVIEW**

The results for the year show a surplus of £288,961 (2020 : deficit of £100,388). Closing reserves of £1,743,814 (2020 : £1,454,853) include restricted funds amounting to £126,115 (2020 : £125,580).

Within the above figures the charity held free reserves amounting to £308,170 (2020 : deficit of £23,332).

#### ***Policy on reserves***

The term 'free reserves' applies to those unrestricted funds, which are neither committed nor invested in tangible fixed assets (net of long term loans). The trustees' goal is that these should be broadly equivalent to three months running costs.

The trustees also aim to build up additional reserves where possible in order to contribute to individual capital projects to improve the charity's facilities in the light of changing and expanding needs for its services. When such projects are planned, specific fundraising campaigns are also undertaken.

The trustees recognise that certain loans, which are secured against the charity's assets, are repayable from 2045, or earlier if certain circumstances arise.

Ongoing measures to achieve the target for free reserves include delivering service standards that will achieve at least an overall "good" rating, improving occupancy rates, keeping costs under control, monitoring cash flow (and particularly the bad debt position) closely, charging appropriate fees and maintaining a work environment that will attract and retain high quality staff.

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

The principal source of the charity's income is the fees it charges for care services. The beneficiaries are individuals who are in need of residential, respite, rehabilitation or nursing care. Cedars Castle Hill has contractual arrangements with individuals, local authorities and clinical commissioning groups (CCGs), with a majority of its current residents being partially or wholly funded by Social Services and/or the NHS.

As in previous years, we would again like to express our thanks to the Hewer-White (previously the Marshall-Grant) and William Williams Trusts for their continued financial support, which enable us to build the extensions to the two homes.

#### ***Investment policy and objectives***

Under the Memorandum and Articles of the charity, the trustees have the power to make any investments which they see fit.

### **FUTURE PLANS**

#### ***Aims and key objectives for future periods***

The Trustees aim to continue providing residential and nursing care for the benefit of aged people who are in need in Shaftesbury and the surrounding area.

The key indicators against which success will be measured are the delivery of high service standards at sustainable fee levels while maintaining a prudent level of reserves.

# Cedars Castle Hill

## Trustees' Report

### REFERENCE AND ADMINISTRATIVE DETAILS

#### *Nature of governing document*

Cedars Castle Hill was incorporated on 25 January 2000 under the Companies Act and the liability of its members is limited to £1. The registered charity was founded on 7 March 2000. The charity registration number is 1079718.

<b>Chair</b>	Mrs S D Jacson MBE
<b>Deputy Chair</b>	Mrs E Westall BSc (Hons) Dip SW
<b>Other Trustees</b>	Mr M G Golberg MA (Oxon) CQSW Mrs P A Hobbs SRN Dr S Daddy MB.BS MRCS.LRCP Mr M J Hall BA (Hons) Mr R S Keenlyside BSc (Hons) MRICS Mrs R M Blacklock MA Cantab
<b>Principal Office</b>	Castle Hill House Bimport Shaftesbury Dorset SP7 8AX  The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	3913377
<b>Charity Registration Number</b>	1079718
<b>Solicitors</b>	Messrs Rutter & Co 2 Bimport Shaftesbury Dorset SP7 8AY
<b>Auditor</b>	Lanham & Francis Registered Auditors Church House Church Street Yeovil Somerset BA20 1HB

# **Cedars Castle Hill**

## **Trustees' Report**

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

#### ***Recruitment and appointment of trustees***

The management of the company is the responsibility of the trustees, who are elected or co-opted under the terms of the Memorandum and Articles of Association of the charity. Trustees are elected at the Annual General Meeting for a three year term. The Board carries out an annual skills audit to ensure that there is appropriate expertise among its members. If there is a gap in skills, a specific recruitment drive will take place. Applicants are interviewed and recommendations are put to the Board for approval. The trustees have the power to co-opt any person duly qualified to be appointed as a trustee as an additional trustee, but a co-opted trustee holds office only until the next Annual General Meeting.

#### ***Induction and training of trustees***

The Board is currently updating its induction process for new trustees. Training requirements are regularly reviewed and trustees are offered training when considered necessary.

#### ***Arrangements for setting key management personnel remuneration***

The performance of key management staff is reviewed on an annual basis through a formal annual performance review system. The review of the Director of Homes is carried out by the Chairman and two other trustees. Remuneration levels reflect a number of factors including performance ratings, market rates and the financial position of the charity

#### ***Organisational structure***

The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association, the chairman of the trustees is nominated by the trustees, who are elected annually by the members of the charity attending the Annual General Meeting. Trustees serve for renewable three year terms.

The trustees have a duty to put the day to day running of the homes in the hands of one or more suitably qualified registered managers. Following the departure of our previous Head of Homes, April King, in January 2020, CCH was managed on an interim basis by the trustees and Senior Management Team, until the arrival of Jenny Davies in April 2020.

The trustees meet on a quarterly basis to administer the charity. These meetings are attended by senior staff. Much detailed work is undertaken in the Board's two Standing Committees; the Care Committee overseeing care policy and procedures and the Finance and Strategy Committee, which is responsible for overseeing financial management and reviewing options for strategic development of the charity and the services it provides.

# Cedars Castle Hill

## Trustees' Report

### *Principal risks and uncertainties*

The principal risks and uncertainties faced by the charity include managing the long term consequences of the pandemic - and particularly its impact on the well-being of staff and residents, costs, occupancy levels and financial position.

In the absence of further details about the Government's plan to devote more resources to the funding of Adult Social Care, there remain uncertainties about the capacity of Local Authorities to cover the increasing cost of providing care. This is a significant issue for CCH where around half our residents are funded in this way.

Along with many other care providers, we face challenges relating to our ability to attract and retain staff with the right skills and motivation to deliver the levels of care we aspire to.

Lastly, meeting the requirements of regulators and commissioners including the CQC, Local Authorities and Charity Commission; protecting our reputation and developing the capacity to accommodate changes in the market place, in technology and the digital environment.

The Trustees have adopted a number of ways to mitigate risk. These include delivering service standards that will achieve at least an overall 'good' rating, improving occupancy rates, keeping costs under control, monitoring cash flow closely, charging sustainable fees and maintaining a work environment that will attract and retain high quality staff.

CCH responds to the needs of its users by working in partnership with families, residents, Local Authorities and CCGs to develop and provide services in response to anticipated demand. It conducts customer service surveys among its residents, staff, health and social care professionals to monitor performance and guide future development, particularly over the use of appropriate technology.

### **PUBLIC BENEFIT**

We have referred to the guidance contained on the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. Further details regarding how the trustees have met this guidance are provided in the relevant sections of this report.

### **GOING CONCERN**

The financial statements have been prepared on the going concern basis. Given the progress made towards achieving the charity's goals, including our CQC rating, the year end result and improved reserves position, the Trustees believe there are no material uncertainties about the CCH's ability to continue.

### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

Each trustee has taken 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 charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### **AUDITOR**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Lanham & Francis as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
Mrs S D Jacson MBE  
Chairman

## Cedars Castle Hill

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Cedars Castle Hill for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
Mrs S D Jacson MBE  
Chairman

## **Cedars Castle Hill**

### **Independent Auditor's Report to the Members of Cedars Castle Hill**

#### **Opinion**

We have audited the financial statements of Cedars Castle Hill (the 'charity') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

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

## **Cedars Castle Hill**

### **Independent Auditor's Report to the Members of Cedars Castle Hill**

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (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'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.

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

## Cedars Castle Hill

### Independent Auditor's Report to the Members of Cedars Castle Hill

Procedures to identify risks:

- enquiring of Trustees and management concerning the Charity's procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas: posting of unusual journals; and
- obtaining an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the group. The key laws we considered in this context included UK Companies Act, Charities Act, employment law, health and safety, pensions legislation and tax legislation.

The procedures to respond to risks identified included:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of Trustees and management, concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing correspondence with HMRC, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....  
Ian Dodds (Senior Statutory Auditor)  
For and on behalf of Lanham & Francis, Statutory Auditor

Church House  
Church Street  
Yeovil  
Somerset  
BA20 1HB

Date:.....

## Cedars Castle Hill

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies (including exceptional income)	3	116,109	6,175	122,284
Charitable activities	4	2,450,273	-	2,450,273
Investment income	5	11	-	11
Other income	6	12,056	-	12,056
Total income		<u>2,578,449</u>	<u>6,175</u>	<u>2,584,624</u>
<b>Expenditure on:</b>				
Raising funds	7	(6,790)	-	(6,790)
Charitable activities	8	(2,284,228)	(4,645)	(2,288,873)
Total expenditure		<u>(2,291,018)</u>	<u>(4,645)</u>	<u>(2,295,663)</u>
Net income		287,431	1,530	288,961
Transfers between funds		995	(995)	-
Net movement in funds		288,426	535	288,961
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>1,329,273</u>	<u>125,580</u>	<u>1,454,853</u>
Total funds carried forward	23	<u><u>1,617,699</u></u>	<u><u>126,115</u></u>	<u><u>1,743,814</u></u>

The notes on pages 14 to 26 form an integral part of these financial statements.

## Cedars Castle Hill

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2020 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	6,595	-	6,595
Charitable activities	4	2,175,058	-	2,175,058
Investment income	5	359	-	359
Other income	6	<u>1,679</u>	-	<u>1,679</u>
Total income		<u>2,183,691</u>	-	<u>2,183,691</u>
<b>Expenditure on:</b>				
Raising funds	7	(7,145)	-	(7,145)
Charitable activities	8	<u>(2,276,324)</u>	<u>(3,101)</u>	<u>(2,279,425)</u>
Total expenditure		(2,283,469)	(3,101)	(2,286,570)
Gains/losses on investment assets		<u>2,491</u>	-	<u>2,491</u>
Net expenditure		<u>(97,287)</u>	<u>(3,101)</u>	<u>(100,388)</u>
Net movement in funds		(97,287)	(3,101)	(100,388)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>1,426,560</u>	<u>128,681</u>	<u>1,555,241</u>
Total funds carried forward	23	<u>1,329,273</u>	<u>125,580</u>	<u>1,454,853</u>

All of the charity's activities derive from continuing operations during the above two periods.

## Cedars Castle Hill

### (Registration number: 3913377) Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	2,093,434	2,103,185
<b>Current assets</b>			
Stocks	16	7,803	10,943
Debtors	17	182,608	191,484
Cash at bank and in hand	18	<u>413,530</u>	<u>32,176</u>
		603,941	234,603
<b>Creditors: Amounts falling due within one year</b>	19	<u>(307,822)</u>	<u>(257,935)</u>
<b>Net current assets/(liabilities)</b>		<u>296,119</u>	<u>(23,332)</u>
<b>Total assets less current liabilities</b>		2,389,553	2,079,853
<b>Creditors: Amounts falling due after more than one year</b>	20	<u>(645,739)</u>	<u>(625,000)</u>
<b>Net assets</b>		<u><u>1,743,814</u></u>	<u><u>1,454,853</u></u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		126,115	125,580
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>1,617,699</u>	<u>1,329,273</u>
<b>Total funds</b>	23	<u><u>1,743,814</u></u>	<u><u>1,454,853</u></u>

The financial statements on pages 10 to 27 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:

.....  
Mrs S D Jacson MBE  
Chairman

## Cedars Castle Hill

### Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash income/(expenditure)		288,961	(100,388)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		85,135	83,423
Investment income		(11)	(359)
Interest payable		6,790	6,914
Loss on disposal of tangible fixed assets		5,928	16,017
Profit on disposal of investments		-	(2,491)
		386,803	3,116
<b>Working capital adjustments</b>			
Decrease/(increase) in stocks	16	3,140	(1,156)
Decrease/(increase) in debtors	17	8,876	(84,707)
Increase/(decrease) in creditors	19	37,836	(21,817)
Net cash flows from operating activities		436,655	(104,564)
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	11	67
Purchase of tangible fixed assets	15	(81,312)	(10,130)
Sale of investments		-	77,393
Income from dividends	5	-	292
Net cash flows from investing activities		(81,301)	67,622
<b>Cash flows from financing activities</b>			
Interest payable and similar charges	7	(6,790)	(6,914)
Value of new loans obtained during the period		37,000	-
Repayment of loans and borrowings		(4,210)	-
Net cash flows from financing activities		26,000	(6,914)
Net increase/(decrease) in cash and cash equivalents		381,354	(43,856)
Cash and cash equivalents at 1 April		32,176	76,032
Cash and cash equivalents at 31 March		413,530	32,176

All of the cash flows are derived from continuing operations during the above two periods.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Castle Hill House

Bimport

Shaftesbury

Dorset

SP7 8AX

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

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

##### Statement of compliance

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 (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### Basis of preparation

Cedars Castle Hill meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in Sterling, which is the functional currency of the charity. Monetary amounts in the financial statements are rounded to the nearest £1.

##### Going concern

The financial statements have been prepared on the going concern basis. Given the progress made towards achieving the charity's goals, including our CQC rating, the year end result and improved reserves position, the Trustees believe there are no material uncertainties about the CCH's ability to continue.

##### Income and endowments

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

##### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## **Cedars Castle Hill**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Investment income***

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

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

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Tangible fixed assets

Individual fixed assets costing £250.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	2% per annum, straight line basis
Fixtures and fittings	25% per annum, reducing balance basis

#### Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Concessionary loans

Concessionary loans are valued at the amount received. Where loans are made with no repayment commitment, they are treated as being due after more than five years, unless it becomes likely that an event that will trigger early repayment occurs. Otherwise loan repayments are analysed in accordance with the loan terms.

#### Provisions

Provisions are recognised if the charity has a present obligation (legal or constructive) as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Financial instruments

##### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

##### *Recognition and measurement*

Except for concessionary loans, the charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### 3 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Donations and legacies;			
Donations from individuals	1,475	6,175	7,650
Grants, including capital grants;			
Government grants	114,634	-	114,634
<b>Total for 2021</b>	<u>116,109</u>	<u>6,175</u>	<u>122,284</u>
<b>Total for 2020</b>	<u>6,595</u>	<u>-</u>	<u>6,595</u>

During the year the Government provided emergency funds to assist with the additional costs of dealing with the coronavirus pandemic. These infection control grants amounted to £114,634 for the year. Further grants have been received since the year end, extended to help with rapid testing. In view of their size and one-off nature they are considered to be exceptional income.

#### 4 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Residential care	2,450,273	2,450,273
<b>Total for 2021</b>	<u>2,450,273</u>	<u>2,450,273</u>
<b>Total for 2020</b>	<u>2,175,058</u>	<u>2,175,058</u>

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 5 Investment income

	<b>Unrestricted funds Designated £</b>	<b>General £</b>	<b>Total funds £</b>
Interest receivable and similar income; Interest receivable on bank deposits	-	11	11
<b>Total for 2021</b>	-	11	11
<b>Total for 2020</b>	259	100	359

#### 6 Other income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Rental income	12,056	12,056
<b>Total for 2021</b>	12,056	12,056
<b>Total for 2020</b>	1,679	1,679

#### 7 Expenditure on raising funds

##### Investment management costs

	<b>Note</b>	<b>Unrestricted funds Designated £</b>	<b>General £</b>	<b>Total funds £</b>
Interest payable; Interest payable on other loans		-	6,790	6,790
<b>Total for 2021</b>		-	6,790	6,790
<b>Total for 2020</b>		193	6,952	7,145

#### 8 Expenditure on charitable activities

	<b>Note</b>	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Residential care		404,893	-	404,893
Sundry expenses		9,065	-	9,065
Residential care		10,852	-	10,852
Depreciation, amortisation and other similar costs		86,418	4,645	91,063
Staff costs		1,754,210	-	1,754,210
Governance costs	9	18,790	-	18,790
<b>Total for 2021</b>		2,284,228	4,645	2,288,873
<b>Total for 2020</b>		2,276,324	3,101	2,279,425

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 9 Analysis of governance and support costs

##### Governance costs

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Audit fees		
Audit of the financial statements	9,400	9,400
Other fees paid to auditors	9,390	9,390
	<hr/>	<hr/>
<b>Total for 2021</b>	<b>18,790</b>	<b>18,790</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Total for 2020</b>	<b>14,600</b>	<b>14,600</b>
	<hr/> <hr/>	<hr/> <hr/>

#### 10 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	<b>2021 £</b>	<b>2020 £</b>
Audit fees	18,790	14,600
Loss on disposal of tangible fixed assets	5,928	16,017
Profit on disposal of investments	-	(2,491)
Depreciation of fixed assets	85,135	83,423
Finance charges payable	6,790	6,914
	<hr/>	<hr/>

#### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 12 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,608,813	1,568,062
Social security costs	117,021	115,577
Pension costs	28,376	28,603
	<u>1,754,210</u>	<u>1,712,242</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Charitable activities	87	85
Administration	9	7
Trustees	8	10
	<u>104</u>	<u>102</u>

67 (2020 - 62) of the above employees participated in the Defined Contribution Pension Schemes.

All of the pension costs have been allocated to residential care.

Contributions to the employee pension schemes for the year totalled £28,376 (2020 - £28,603).

No employee received emoluments of more than £60,000 during the year.

#### 13 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>9,400</u>	<u>9,400</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>9,390</u>	<u>5,200</u>

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 April 2020	2,911,745	386,477	3,298,222
Additions	9,849	71,463	81,312
Disposals	-	(52,065)	(52,065)
At 31 March 2021	2,921,594	405,875	3,327,469
<b>Depreciation</b>			
At 1 April 2020	891,869	303,168	1,195,037
Charge for the year	56,545	28,590	85,135
Eliminated on disposals	-	(46,137)	(46,137)
At 31 March 2021	948,414	285,621	1,234,035
<b>Net book value</b>			
At 31 March 2021	1,973,180	120,254	2,093,434
At 31 March 2020	2,019,876	83,309	2,103,185

#### 16 Stock

	2021 £	2020 £
Stocks	7,803	10,943

#### 17 Debtors

	2021 £	2020 £
Trade debtors	158,687	131,039
Prepayments	21,585	37,172
Other debtors	2,336	23,273
	182,608	191,484

#### 18 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	535	369
Cash at bank	412,995	31,807
	413,530	32,176

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 19 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	12,051	-
Trade creditors	56,830	38,667
Other loans	5,000	5,000
Other taxation and social security	62,874	66,735
Other creditors	130,553	131,863
Accruals	40,514	15,670
	307,822	257,935

#### 20 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans	20,739	-
Concessionary loans	625,000	625,000
	645,739	625,000

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

	2021 £	2020 £
Concessionary loans	625,000	625,000

Loans are secured by a fixed charge over the freehold property of the charity. At 31 March 2021 the freehold property had a net book value of £1,973,180 (2020 : £2,019,876).

Included in the creditors are the following amounts due after more than five years:

	2021 £	2020 £
After more than five years not by instalments	625,000	625,000

#### Other loans after five years

Concessionary loan  
Borrowing of £225,000 at 3% pa. No repayment due until 2045.

Concessionary loan  
Borrowing of £200,000, interest free. No repayments due until 2045.

Concessionary loan  
Borrowing of £200,000, interest free. Loan is only repayable should the properties be sold, transferred to another organisation, or ceased to be used as residential care homes.

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 21 Obligations under leases and hire purchase contracts

##### Operating lease commitments

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

	2021 £	2020 £
<b>Other</b>		
Within one year	18,103	17,908
Between one and five years	72,411	71,652
After five years	27,689	45,333
	118,203	134,893

The amount of non-cancellable operating lease payments recognised as an expense during the year was £18,102 (2020 : £17,908).

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £28,376 (2020 - £28,603).

Contributions totalling £6,305 (2020 : £7,411) were payable to the scheme at the end of the year and are included in creditors.

#### 23 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
<b>Unrestricted</b>					
<i>General</i>					
General fund	1,329,273	2,584,624	(2,297,193)	995	1,617,699
<b>Restricted</b>					
Conservatory Fund - Castle Hill House	57,897	-	(1,450)	-	56,447
Dignity in Care - The Cedars	4,537	-	(122)	-	4,415
Dignity in Care - Castle Hill House	5,151	-	(129)	-	5,022
Sun Room - Castle Hill House	16,000	-	(400)	-	15,600
Extension - The Cedars	41,000	-	(1,000)	-	40,000
Sensory Table - The Cedars	-	6,175	(1,544)	-	4,631
Staff Welfare - The Cedars	995	-	-	(995)	-
	125,580	6,175	(4,645)	(995)	126,115
<b>Total restricted</b>					
	1,454,853	2,590,799	(2,301,838)	-	1,743,814
<b>Total funds</b>					

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2020 £
<b>Unrestricted</b>						
<i>General</i>						
General fund	1,357,545	2,183,432	(2,283,276)	71,406	166	1,329,273
<i>Designated</i>						
Loan Contingency Fund	<u>69,015</u>	<u>259</u>	<u>(193)</u>	<u>(71,406)</u>	<u>2,325</u>	<u>-</u>
<b>Total unrestricted</b>	<u>1,426,560</u>	<u>2,183,691</u>	<u>(2,283,469)</u>	<u>-</u>	<u>2,491</u>	<u>1,329,273</u>
<b>Restricted</b>						
Conservatory Fund - Castle Hill House	59,347	-	(1,450)	-	-	57,897
Dignity in Care - The Cedars	4,659	-	(122)	-	-	4,537
Dignity in Care - Castle Hill House	5,280	-	(129)	-	-	5,151
Sun Room - Castle Hill House	16,400	-	(400)	-	-	16,000
Extension - The Cedars	42,000	-	(1,000)	-	-	41,000
Staff Welfare - The Cedars	<u>995</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>995</u>
<b>Total restricted</b>	<u>128,681</u>	<u>-</u>	<u>(3,101)</u>	<u>-</u>	<u>-</u>	<u>125,580</u>
<b>Total funds</b>	<u>1,555,241</u>	<u>2,183,691</u>	<u>(2,286,570)</u>	<u>-</u>	<u>2,491</u>	<u>1,454,853</u>

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2021

The specific purposes for which the funds are to be applied are as follows:

#### Conservatory fund – Castle Hill House

This arose from various donations for the purpose of constructing a conservatory at Castle Hill House. The donations have been fully utilised for this purpose and the fund is now being written off at a rate of 2% per annum in line with the underlying assets.

#### Dignity in Care – The Cedars

This arose from a capital grant from Dignity in Care for the sole purpose of improving the outside decking and patio area for residents. The grant was fully utilised within the time restriction placed on it and the fund is now being written off at a rate of 2% per annum in line with the underlying assets.

#### Dignity in Care – Castle Hill House

This arose from a capital grant from Dignity in Care for the sole purpose of improving the outside decking and patio area for residents. The grant was fully utilised within the time restriction placed on it and the fund is now being written off at a rate of 2% per annum in line with the underlying assets.

#### Sun Room – The Cedars

A donation was received to help towards the creation of the sun room at The Cedars. The donation has been fully utilised and the fund is now being written off at a rate of 2% per annum in line with the underlying assets.

#### Extension - The Cedars

Two grants were received in respect of the building of the extension at The Cedars. Following completion, the funds are now being written off at the rate of 2% per annum in line with the underlying assets.

#### Sensory Table - The Cedars

A donation was received allowing for the acquisition of a sensory table. The donation has been fully utilised and the fund is being written off at a rate of 25% per annum in line with the underlying asset.

#### Staff Welfare - The Cedars

This arose from donations received for the benefit of staff at The Cedars. The money is no longer considered to be restricted and has been transferred to general funds.

#### 24 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2021 £
Tangible fixed assets	1,967,319	126,115	2,093,434
Current assets	603,941	-	603,941
Current liabilities	(307,822)	-	(307,822)
Creditors over 1 year	(645,739)	-	(645,739)
Total net assets	<u>1,617,699</u>	<u>126,115</u>	<u>1,743,814</u>

## Cedars Castle Hill

### Notes to the Financial Statements for the Year Ended 31 March 2021

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2020 £</b>
Tangible fixed assets	1,978,600	124,585	2,103,185
Current assets	233,608	995	234,603
Current liabilities	(257,935)	-	(257,935)
Creditors over 1 year	<u>(625,000)</u>	<u>-</u>	<u>(625,000)</u>
Total net assets	<u>1,329,273</u>	<u>125,580</u>	<u>1,454,853</u>

#### 25 Analysis of net funds

	<b>At 1 April 2020 £</b>	<b>Financing cash flows £</b>	<b>At 31 March 2021 £</b>
Cash at bank and in hand	32,176	381,354	413,530
Debt due within one year	-	(12,051)	(12,051)
Debt due after more than one year	<u>(625,000)</u>	<u>(20,739)</u>	<u>(645,739)</u>
Net debt	<u>(592,824)</u>	<u>348,564</u>	<u>(244,260)</u>

	<b>At 1 April 2019 £</b>	<b>Financing cash flows £</b>	<b>At 31 March 2020 £</b>
Cash at bank and in hand	76,032	(43,856)	32,176
Debt due after more than one year	<u>(625,000)</u>	<u>-</u>	<u>(625,000)</u>
Net debt	<u>(548,968)</u>	<u>(43,856)</u>	<u>(592,824)</u>

#### 26 Related party transactions

There were no related party transactions in the year.

## Cedars Castle Hill

### Detailed Statement of Financial Activities for the Year Ended 31 March 2021

	<b>Total 2021 £</b>	<b>Total 2020 £</b>
<b>Income and Endowments from:</b>		
Donations and legacies	7,650	6,595
Grants, including capital grants	114,634	-
Charitable activities	2,450,273	2,175,058
Investment income	11	359
Other income	12,056	1,679
<b>Total Income</b>	<b>2,584,624</b>	<b>2,183,691</b>
<b>Expenditure on:</b>		
Wages and salaries	1,608,813	1,568,062
Social security costs	117,021	115,577
Pension costs	28,376	28,603
Interest payable and similar charges	6,790	6,914
Amounts payable to investment managers	-	231
Household and medical costs	186,501	184,983
Repairs and maintenance	69,199	85,255
Staff training and recruitment	36,336	50,431
Rates, water, light and heat	63,168	61,126
Telephone and fax	5,616	4,710
Printing, postage and stationery	11,283	10,343
Trade subscriptions	32,790	23,574
Sundry expenses	9,065	12,790
Travel and subsistence	599	1,322
Advertising	5,509	8,538
Legal and professional fees	3,071	4,726
Bad debts written off	-	3,446
Bank charges	1,673	1,899
Depreciation, amortisation and other similar costs	91,063	99,440
Auditors' remuneration	18,790	14,600
<b>Total Expenditure</b>	<b>2,295,663</b>	<b>2,286,570</b>
Gains/losses on investment assets	-	(2,491)
<b>Net income/(expenditure)</b>	<b>288,961</b>	<b>(100,388)</b>
<b>Net movement in funds</b>	<b>288,961</b>	<b>(100,388)</b>
<b>Reconciliation of funds</b>		
Total funds brought forward	1,454,853	1,555,241
Total funds carried forward	1,743,814	1,454,853

All of the charity's activities derive from continuing operations during the above two periods. The funds breakdown for 2020 is shown in note 23.

The notes on pages 14 to 26 form an integral part of these financial statements.