

Sandwell Community Caring Trust

(A Company Limited by Guarantee)

**Annual Report and Financial Statements
Year ended 31 March 2025**

Charity number : 1086162

Company Number : 03286106



Feltons
CHARTERED ACCOUNTANTS
& BUSINESS ADVISERS

Feltons

Chartered Accountants

Birmingham

B1 3JR

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Report and financial statements
Year ended 31 March 2025

Contents	Page
Reference and administrative details	1
Report of the trustees	2
Independent auditor's report on the financial statements	9
Statement of financial activities incorporating income & expenditure account	13
Balance sheet	14
Cash flow statement	15
Notes forming part of the financial statements, incorporating :	
Statement of accounting policies	16
Other notes to the financial statements	22

**Sandwell Community Caring Trust
(A Company Limited by Guarantee)**

Reference and Administrative Details

Trustees	Mrs S A Rogers Mr G Walker Mrs M Hall Mr A S Coley Ms K L Jones	
Company secretary	Mrs T D Graham	
Key management personnel	Andrew Coley	Chief Executive
Registered office		Trigate Building Hagley Road West Oldbury England B68 0NP
Charity number		1086162
Company registration number		03286106
Auditor		Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR
Bankers		Barclays Bank plc 47 High Street Dudley West Midlands DY1 1PP
Solicitors		Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Report of the trustees
Year ended 31 March 2025

The Trustees present their report and the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

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

Trustees of the charity

Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative details on page 1.

Objectives and activities

The charity's objectives are to promote the relief of and provide relief, support and assistance to individuals who, by reason of old age, mental illness or physical or learning disabilities, require special care and attention.

To promote, in particular, the relief of and support and assistance to beneficiaries who are resident in or associated to Sandwell MBC, Walsall MBC, Dudley MBC and Torbay Care Trust or any of its neighbouring councils.

There has been no change in these during the year.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB)'.

Whilst the adverse consequences of the Covid-19 pandemic have gradually subsided, Covid-19 continues to pose challenges to the adult social care sector. Despite this, the trust has managed to meet the objectives highlighted above. Throughout the year, the trust has successfully kept its residents, tenants and employees safe.

The principal activity of the trust is to provide health and social care services to older people and adults with learning and or physical disabilities. The trust currently provides residential care for over 100 older people, 86 of whom are suffering with dementia, 150 days of day care each week for adults with profound learning and or physical disabilities and care and support to over 280 adults with learning disabilities in supported living. As reported in the previous years' financial statements, the pandemic had a detrimental impact upon occupancy, particularly within residential care, which contributed to a deterioration in financial performance. However, on a positive note, the recovery in occupancy levels within the residential homes in the latter part of that financial year continued in the following years, including the financial year ended 31 March 2025.

One of the continuing major objectives during the financial year has been to fully understand the implications of continuing austerity on Local Authority income and the impact that this would have on the fees paid for the delivery of Adult Social Care. In addition, the charity will need to continue to clarify the implications of the continued rise in the National Minimum Living Wage, particularly in the context of ongoing austerity.

There is no restriction on who can access the services provided by Sandwell Community Caring Trust. All the care packages which are provided are based on the clinical and social needs of each individual.

**Sandwell Community Caring Trust
(A Company Limited by Guarantee)**

**Report of the trustees (continued)
Year ended 31 March 2025**

Objectives and activities (continued)

Admission to Sandwell Community Caring Trust's services normally takes place after a multi-disciplinary needs assessment, which involves the prospective service user and their family.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The services provided by Sandwell Community Caring Trust are compliant with the Commission for Racial Equalities Code of Practice.

Due to the nature of the services that it provides, the charity does not rely on the use of volunteers.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and performance

The trust has continued to maintain and fulfil its contractual obligations and achieved its targets, securing ongoing provision for the care of vulnerable people.

The staff turnover for this year was 18% (2024 - 17%) which was an increase of 1 percentage point compared to last year.

Staff turnover not only has a financial impact on the Trust but also impacts on the quality of care that is provided to its service users. These levels have remained constant over the years which contribute to a consistent happy work force that provide a high quality of care to the vulnerable people that deserve to receive continuity from the service they need.

Despite the difficulties experienced during the pandemic, the trust successfully maintained the standard of care provision without recourse to the use of staffing agencies and continues to do so.

The quality of the care that the trust provides is measured and regulated by the Care Quality Commission and is reflected in their inspection reports on the trust's services.

Financial review (including reserves policy)

The company's Balance Sheet as detailed on page 14 shows that the funds before the 2025 defined benefit pension scheme liability amounted to £8,430,738 (2024 - £8,736,631). The closing position including the pension scheme liability as at 31 March 2025 was £8,430,738 (2024 - £8,736,631).

The Statement of Financial Activities on page 13 of these financial statements shows surplus income of £83,107 (2024 - £448,443) for this financial year.

The Balance Sheet on page 14 of these financial statements shows net current assets of £530,614 (2024 - £1,701,804).

**Sandwell Community Caring Trust
(A Company Limited by Guarantee)**

**Report of the trustees (continued)
Year ended 31 March 2025**

Financial review (including reserves policy) (continued)

The Trustees are reassured that the Charity continues to meet its loan obligations and working capital requirements, when due, from its cash at bank balances.

Having considered the above, in conjunction with projections for the year ending 31 March 2026, at the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, as confirmed in note 1.2 on page 16, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

It is the policy of the charity that unrestricted funds before the defined pension scheme liability, which have not been designated for a specific use, should be maintained at a level equivalent to 10% of incoming resources from charitable activities. The Trustees considers that reserves at this level will ensure that, in the event of a significant reduction in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

Having developed a clear understanding of the implications of austerity on local authority contracts and the impact of the continued rise in the National Minimum Living Wage, as reported in previous years, the charity introduced changes in the terms and conditions of its employees that reflect the new financial environment within which it operates. These changes were implemented in October 2018 and the Charity continues to assess the impact of these changes and review its financial position, in the context of its operating environment, on a regular basis.

As with previous financial years, the increase in weekly fees and hourly rates received for care provided.

Investment powers and policy

The charity currently has no long-term investments but takes advantage of short-term cash flow situations by placing funds with institutions approved by the Board.

Risk management

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to these major risks.

The Trustee Board is responsible for overseeing the charity's risk management activities. Detailed consideration of risk is delegated to the Senior Management Team, who are continually reviewing this matter and reporting thereon to the Trustee Board. Through the risk management process established for the charity, the Trustees are satisfied that the major risks have been identified and processes for addressing them have been implemented. It is recognised that any control systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

In previous years the defined benefit pension scheme deficit has had a significant impact on the net assets of the trust and is based on the valuation provided by the scheme's actuaries in accordance with Generally Accepted Accounting Practice. The key risk to the trust surrounding such a pension deficit is the funding of future contributions for both Schemes in place. This is mitigated by the fact that both schemes no longer admit new members agreement with Sandwell MBC that any employer contributions above the agreed 17.9% relating to the EMI Scheme will be paid by the council although the current employer contributions are 11.5% for this particular scheme. Furthermore, when an employer applies for admitted body status, the WMPF requires a guarantor or a Bond to cover any costs in the event of insolvency. The WMPF has procedures in place to mitigate the risks of rogue employers.

**Sandwell Community Caring Trust
(A Company Limited by Guarantee)**

**Report of the trustees (continued)
Year ended 31 March 2025**

Risk management (continued)

It should be noted that as at 31 March 2025, there was deemed to be a defined benefit pension surplus of £10.35m (2024 - £8.42m). However, under FRS 102, a pension scheme surplus is only recognised as an asset in the Balance Sheet to the extent that the employer can recover a surplus through reduced contributions or refunds. Therefore, in accordance with these requirements, the defined benefit pension liability is shown as £nil on the Balance Sheet. See further details at note 24.

The Trustee Board is aware of the combined risks posed by austerity on local authority contracts and the increase in the National Minimum Living Wage (NMLW). These risks have been compounded by the announcement of an increase in the Employer NIC (ENIC) rate and the lowering of the ENIC threshold in the Chancellor's October 2024 budget from 1st April 2025. It has been calculated that, in common with most care providers within the adult social care sector, the combined impact of the increase in the NMLW and ENICs will be a 10% increase in employment costs for the 2025-26 financial year. As local commissioner fees received have not increased by a commensurate percentage, this represents a significant risk for the sector as a whole. The Trustee Board has formulated clear plans designed to address these risks and ensure the continued sustainability of the charity.

The Trustees previously reported on the outcome of a CQC inspection of its supported living services in July 2021.

Plans for future periods

The trust is always looking towards the future, seeking out new prospects and contracts to enable them to continue to deliver services to those most needy.

The trust is able to take advantage of any opportunities for expansion particularly through the transfer of providers from local authorities, as austerity and budget deductions fully impact on local authority expenditure on adult social care.

Structure, governance and management

Governing document

The charity is a charitable company limited by guarantee and was set up on 1 April 1997. It is governed by a Memorandum and Articles of Association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year

- Mrs S A Rogers
- Mr G Walker
- Mrs M Hall
- Mr A S Coley
- Ms K Jones

Appointment of trustees

The Board of Trustees may fill vacancies arising during the year by appointing Trustees themselves, but any Trustees so appointed shall retain their office only until the next Annual General Meeting when they shall be eligible for re-election.

**Sandwell Community Caring Trust
(A Company Limited by Guarantee)**

**Report of the trustees (continued)
Year ended 31 March 2025**

Appointment of trustees (continued)

Any appointments made are with due regard to the broad range of relevant skills required by the Board of Trustees and the specialist skills and experience offered by the applicant Trustee.

None of the Trustees has any beneficial interest in the company. All the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisation

The governing body of the charity is the Board of Trustees which comprises 4 members and has met 4 times a year together with the Senior Management Team.

The Chief Executive has been appointed by the Trustees to manage the day-to-day operations.

Trustee induction and training

Individual Trustee training is undertaken by Trustees on a need basis but training for the full Board of Trustees and Senior Management Team takes place at least annually and focuses on governance issues.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with a client or supplier must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. Related party transactions in the current year are described in notes 10 and 25 to the accounts.

Pay policy for senior staff

The Trustees are responsible for determining the pay and conditions of key management personnel. This is done in consultation with an external human resources company who provide advice on comparative positions across the sector.

The Chief Executive Officer is responsible for recommending any changes in pay and conditions of the remainder of the paid service.

Employee involvement

The charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports, which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

**Sandwell Community Caring Trust
(A Company Limited by Guarantee)**

**Report of the trustees (continued)
Year ended 31 March 2025**

Disabled persons

Applications for employment made by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Auditors

A resolution proposing that Feltons be reappointed as auditors of the company will be put to the members.

Disclosure of information to auditor

We, the directors of the company who held office at the date of approval of these financial statements, as set out above, each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Trustees' report, including the Strategic Report, was approved by the Board of Trustees.

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Statement of trustees' responsibilities
Year ended 31 March 2025

The trustees (who are also directors of Sandwell Community Caring Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

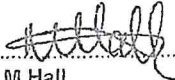
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the 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 then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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


.....
Mrs M Hall
Chair

Dated: 11/11/2025.....

**Independent Auditor's Report to the Trustees of
Sandwell Community Caring Trust
(A Company Limited by Guarantee)**

Opinion

We have audited the financial statements of Sandwell Community Caring Trust (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements :

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025, 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

**Independent Auditor's Report to the Trustees of
Sandwell Community Caring Trust
(A Company Limited by Guarantee)
(continued)**

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

We have nothing to report in this regard.

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 have 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 8), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Independent Auditor's Report to the Trustees of
Sandwell Community Caring Trust
(A Company Limited by Guarantee)
(continued)**

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- We reviewed the company's control and risk management procedures and planned our work based on our assessment of those controls and procedures;
- This review included an assessment of the risk of material misstatement due to errors, fraud and management override of controls for all material areas in the financial statements;
- We made enquiries of management and the company's lawyers regarding any actual or potential litigation and/or claims;
- Financial statements disclosures were reviewed and checked for compliance with applicable laws;
- Detailed testing was conducted on balances and transactions including unusual items and those of individual significance to the financial statements;
- Data analytics were used in order to identify unusual or significant trends;
- Communications with management and those charged with governance regarding relevant matters was undertaken throughout the audit and on completion.

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

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

**Independent Auditor's Report to the Trustees of
Sandwell Community Caring Trust
(A Company Limited by Guarantee)
(continued)**

Use of our report

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



David W Farnsworth FCA (Senior Statutory Auditor)

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

Date : 25/11/2025

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Statement of Financial Activities
for the year ended 31 March 2025

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Total 2025 £	Total 2024 £
Income						
Donations and legacies	4	15,318	-	-	15,318	30,326
<i>Income from charitable activities:</i>	5					
Residential and day care services		16,580,258	-	-	16,580,258	16,154,478
Investment income	6	9,695	-	-	9,695	9,500
Total income		<u>16,605,271</u>	<u>-</u>	<u>-</u>	<u>16,605,271</u>	<u>16,194,304</u>
Expenditure						
<i>Charitable activities:</i>						
Operational and support costs	7	16,280,576	(389,000)	-	15,891,576	15,510,703
<i>Other costs:</i>						
Financing costs	12	205,588	-	-	205,588	235,158
Exceptional costs	26	425,000	-	-	425,000	-
Total expenditure		<u>16,911,164</u>	<u>(389,000)</u>	<u>-</u>	<u>16,522,164</u>	<u>15,745,861</u>
Net income/(expenditure) before transfers		(305,893)	389,000	-	83,107	448,443
Gross transfers between funds		373,393	-	(373,393)	-	-
Net income/(expenditure) after transfers		<u>67,500</u>	<u>389,000</u>	<u>(373,393)</u>	<u>83,107</u>	<u>448,443</u>
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	(389,000)	-	(389,000)	(282,000)
Net movement in funds		<u>67,500</u>	<u>-</u>	<u>(373,393)</u>	<u>(305,893)</u>	<u>166,443</u>
Reconciliation of funds						
Total funds brought forward	19	8,363,238	-	373,393	8,736,631	8,570,188
Total funds carried forward		<u>8,430,738</u>	<u>-</u>	<u>-</u>	<u>8,430,738</u>	<u>8,736,631</u>

All income and expenditure derives from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Company Number : 03286106
Balance Sheet as at 31 March 2025

/ Charity number : 1086162

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	13		10,205,156		9,520,085
Current assets					
Debtors	14	1,068,807		1,962,929	
Cash at bank and in hand		<u>1,181,815</u>		<u>1,497,826</u>	
		2,250,622		3,460,755	
Creditors: amounts falling due within one year	15	<u>1,720,008</u>		<u>1,758,951</u>	
Net current assets/(liabilities)			530,614		1,701,804
Total assets less current liabilities			<u>10,735,770</u>		<u>11,221,889</u>
Creditors: amounts falling due after more than one year	16		(2,305,032)		(2,485,258)
Net assets excluding pension liability			<u>8,430,738</u>		<u>8,736,631</u>
Defined benefit pension liability			-		-
Net assets			<u><u>8,430,738</u></u>		<u><u>8,736,631</u></u>
Funds of the charity:					
Restricted funds					
General fund	19		-		373,393
Unrestricted funds					
General fund	19	8,430,738		8,363,238	
Pension fund	19	<u>-</u>		<u>-</u>	
			8,430,738		8,363,238
Total funds			<u><u>8,430,738</u></u>		<u><u>8,736,631</u></u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The notes on pages 16 to 34 form part of these accounts.

The financial statements were approved by the board of trustees on 11/11/2025 and were signed on its behalf by:



Mrs M Hall
Chair

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Statement of cash flows
for the year ended 31 March 2025

	Notes	2025 £	2024 £
Cash flow from operating activities	22	598,792	694,706
Net cash flow from operating activities		<u>598,792</u>	<u>694,706</u>
Cash flow from investing activities			
Payments to acquire tangible fixed assets	13	(699,221)	-
Interest received	6	9,695	9,500
Net cash flow from investing activities		<u>(689,526)</u>	<u>9,500</u>
Cash flow from financing activities			
Repayment of bank loans	17	(225,277)	(520,237)
Net cash flow from financing activities		<u>(225,277)</u>	<u>(520,237)</u>
Net increase / (decrease) in cash and cash equivalents		<u>(316,011)</u>	<u>183,969</u>
Cash and cash equivalents at 1 April 2024		1,497,826	1,313,857
Cash and cash equivalents at 31 March 2025		<u>1,181,815</u>	<u>1,497,826</u>

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025

1. Accounting policies

General information

Sandwell Community Caring Trust is a charitable company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to provide health and social care services to older people and adults with learning and or physical disabilities.

1.1 Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

1.2 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for a period of 12 months from the date of authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The charity is conscious of continuing cost pressures across the sector and will therefore continue to restrict costs as far as possible, whilst seeking new income sources that are consistent with its charitable objectives. The charity will also continue to lobby local authorities regarding a sustainable level of care fees.

1.3 Funds

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

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

**Sandwell Community Caring Trust
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 March 2025 (continued)

1. Accounting policies (continued)

1.4 Income recognition

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

- **Residential and day care services**

Residential and day care service income is included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

- **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

- **Interest receivable**

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.

- **Other income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

1.5 Expenditure recognition

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

Expenditure is categorised under the following headings:

- **Charitable activities**

These are costs incurred in activities undertaken to further the purposes of the charity and their associated support costs.

- **Governance costs**

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

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

**Sandwell Community Caring Trust
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 March 2025 (continued)

1. Accounting policies (continued)

1.6 Allocation of support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 8.

1.7 Tangible fixed assets

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

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

Freehold and leasehold property	- not depreciated
Leasehold improvement	- 20% on a straight line basis
Motor vehicles	- 20% on a straight line basis
Fixtures and fittings	- 20% on a straight line basis

Land and buildings and long leasehold properties are not subject to depreciation as their residual values are considered to be equal to their cost. This is on the basis that significant ongoing repairs and maintenance are undertaken to preserve their condition and value.

At each reporting date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments.

Financial instruments are recognised in the charity's Balance Sheet when the charity becomes party to the contractual provisions of the instrument.

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

1. Accounting policies (continued)

1.9 Financial instruments (continued)

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest rate method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire, are discharged or cancelled.

1.10 Operating leases

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

1.11 Taxation

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

**Sandwell Community Caring Trust
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 March 2025 (continued)

1. Accounting policies (continued)

1.12 Pension benefits

During the year, the charity operated two LGPS defined benefit pension schemes and a defined contribution pension scheme.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Neither of the defined benefit schemes admit new members. New members of staff are admitted into the defined contribution scheme on their employment with the charity.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method and is based on actuarial advice. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gain and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the Balance Sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate on high quality corporate bonds) less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and, in the case of quoted securities, is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are employee benefits provided in exchange for the termination of an employee's involvement in the charity. Redundancy costs are recognised immediately once the charity is demonstrably committed to terminate employment.

Notes to the financial statements for the year ended 31 March 2025 (continued)

2. Critical accounting estimates and judgements

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

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

Critical judgements

Recoverability of trade debtors

A provision for doubtful debtors from operations is set up when the likelihood of recovering the debt is diminished. The level of provision will be based on any current repayment plan entered into and which is being adhered to by the debtor, together with an estimate of the likelihood of the amounts being fully recovered.

Key sources of estimation uncertainty

Defined benefit pension scheme

The charity has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors including life expectancy, asset valuations and the discount rate on corporate bonds. Management estimate these factors in determining the net pension obligation in the Balance Sheet. The assumptions reflect historical experience and current trends. See note 24 for the disclosures relating to the defined benefit scheme.

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

3. Prior year Statement of Financial Activities (year end 31 March 2024)

	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Total 2024 £
Income				
Donations and legacies	30,326	-	-	30,326
Income from charitable activities	16,154,478	-	-	16,154,478
Investment income	9,500	-	-	9,500
Total income	16,194,304	-	-	16,194,304
Expenditure				
Charitable activities	15,792,703	(282,000)	-	15,510,703
Other	235,158	-	-	235,158
Total expenditure	16,027,861	(282,000)	-	15,745,861
Net income/(expenditure) before transfers	166,443	282,000	-	448,443
Actuarial gain on defined benefit pension schemes	-	(282,000)	-	(282,000)
Net movement in funds	166,443	-	-	166,443
Reconciliation of funds				
Total funds brought forward	8,196,795	-	373,393	8,570,188
Total funds carried forward	8,363,238	-	373,393	8,736,631

4. Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Donations and gifts	15,318	-	15,318	19,187
Grants	-	-	-	11,139
	15,318	-	15,318	30,326

5. Income from charitable activities

	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Total 2025 £	Total 2024 £
Residential and day care services	16,580,258	-	-	16,580,258	16,154,478
	16,580,258	-	-	16,580,258	16,154,478

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

6. Investment income

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Deposit account interest	9,695	-	9,695	9,500
	<u>9,695</u>	<u>-</u>	<u>9,695</u>	<u>9,500</u>

7. Expenditure on charitable activities

	Residential and day care services £	Total 2025 £	Total 2024 £
Operational and support costs			
Staff costs	11,428,723	11,428,723	10,633,340
Heat and light	227,284	227,284	174,581
Rent, rates and insurance	1,220,512	1,220,512	1,003,611
Telecommunications	246	246	7,044
Other staff costs	69,898	69,898	21,646
Motor and travel	52,657	52,657	60,450
Repairs, renewals and equipment hire	365,892	365,892	539,707
Cleaning, waste and pest control	144,829	144,829	142,648
Other office costs and sessionals	29,818	29,818	84,880
Printing, postage and stationery	11,523	11,523	6,187
Provisions	326,858	326,858	364,159
Depreciation	14,150	14,150	-
Support costs (see note 8)	1,945,517	1,945,517	2,428,292
Governance costs (see note 8)	53,669	53,669	44,158
	<u>15,891,576</u>	<u>15,891,576</u>	<u>15,510,703</u>

Total expenditure on charitable activities was £15,891,576 (2024 - £15,510,703) of which £15,891,576 (2024 - £15,510,703) was unrestricted and £nil (2024 - £nil) was restricted.

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

8. Analysis of support and governance costs

	Basis of allocation	General support £	Governance function £	Total 2025 £	Total 2024 £
Staff costs	Staff time	986,178	-	986,178	1,111,220
Heat and light	Usage	-	-	-	10,694
Rent, rates and insurance	Usage	320,580	-	320,580	366,929
Telecommunications	Usage	55,536	-	55,536	38,208
Other staff costs	Usage	63,645	-	63,645	182,337
Motor and travel	Usage	56,872	-	56,872	33,357
Repairs, renewals and equipment hire	Usage	72,490	-	72,490	157,720
Cleaning, waste and pest control	Usage	14,032	-	14,032	81,134
Other office costs and sessionals	Usage	348,712	-	348,712	417,235
Printing, postage and stationery	Usage	24,787	-	24,787	24,011
Provisions	Usage	2,685	-	2,685	5,447
Audit and accountancy services	Governance	-	21,300	21,300	40,110
Legal and other professional	Governance	-	32,369	32,369	4,048
		<u>1,945,517</u>	<u>53,669</u>	<u>1,999,186</u>	<u>2,472,450</u>

9. Net income/(expenditure) for the year

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

	Total 2025 £	Total 2024 £
Operating lease rentals		
Office equipment	32,092	106,222
Premises	1,264,219	1,066,246
Bank interest payable	205,588	235,158
Auditors remuneration	15,000	15,000

The auditors remuneration amounts to an audit fee of £13,500 (2024 - £13,500) and other services of £1,500 (2024 - £1,500).

10. Trustees and key management personnel remuneration and expenses

During the year, no trustees received any remuneration or other benefits for their role as trustees (2024 - none). A Coley received remuneration in the year of £99,940 (2024 - £98,000) paid to him for his role as Chief Executive Officer.

No trustee was reimbursed expenses during the year (2024 - £nil).

The charity considers its key management personnel to comprise of the Chief Executive Officer. The total amount of employee benefits received by key management personnel was £99,940 (2024 - £98,000).

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

11. Analysis of staff costs and numbers

a) Staff costs :

	Total 2025 £	Total 2024 £
Wages and salaries	11,433,565	10,727,813
Social security costs	991,767	891,151
Other pension costs	(10,431)	111,828
	<u>12,414,901</u>	<u>11,730,792</u>
Severance payments	-	13,768
	<u>12,414,901</u>	<u>11,744,560</u>

Included in other pension costs above is a net credit of £389,000 (2024 - £282,000), which has been recognised in respect of the 2025 Pension Expense Calculation prepared by the Actuary for the Local Government Pension Scheme. This credit comprises a shortfall in service cost contributions of £17,000 (2024 - £31,000), interest costs of £406,000 (2024 - £313,000), and no administration costs in either year.

b) Staff numbers :

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

	2025 Number	2024 Number
Care	509	475
Finance and administration	12	13
	<u>521</u>	<u>488</u>

c) Higher paid staff

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

	2025 Number	2024 Number
£90,001 - £100,000	<u>1</u>	<u>1</u>

12. Other costs

	Total 2025 £	Total 2024 £
Finance costs	<u>205,588</u>	<u>235,158</u>

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

13. Tangible fixed assets

	Freehold and leasehold property £	Leasehold improvements £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 April 2024	9,520,085	-	-	-	9,520,085
Additions	550,000	11,644	11,195	126,382	699,221
Disposals	-	-	-	-	-
At 31 March 2025	10,070,085	11,644	11,195	126,382	10,219,306
Depreciation					
At 1 April 2024	-	-	-	-	-
Charge for the year	-	1,013	282	12,855	14,150
Released by disposals	-	-	-	-	-
At 31 March 2025	-	1,013	282	12,855	14,150
Net book values					
At 31 March 2025	10,070,085	10,631	10,913	113,527	10,205,156
At 31 March 2024	9,520,085	-	-	-	9,520,085

Freehold land and buildings with a carrying amount of £7,467,081 (2024 - £7,467,081) have been pledged to secure the Unity Trust loan. Certain properties are also subject to legal charges in favour of Barclays Bank plc as security for the charity's overdraft facility. Further details are provided in note 17.

Depreciation on freehold and leasehold property is not provided as the trustees feel that significant replacement and maintenance works are carried out on an annual basis to the extent that the residual value is considered to be equal to the cost.

14. Debtors

	Total 2025 £	Total 2024 £
Debtors from operations	902,236	1,654,169
Prepayments and accrued income	149,069	260,837
Other debtors	17,502	47,923
	<u>1,068,807</u>	<u>1,962,929</u>

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

15. Creditors - amounts falling due within one year

	Total 2025 £	Total 2024 £
Creditors from operations	141,460	305,875
Taxation and social security	185,358	199,307
Accruals and deferred income	1,171,635	975,110
Bank loans	175,521	220,572
Other creditors	46,034	58,087
	<u>1,720,008</u>	<u>1,758,951</u>
Deferred income		
Deferred income brought forward	127,866	186,223
Resources deferred in the year	363,728	127,866
Amounts released from previous years	(127,866)	(186,223)
Deferred income carried forward	<u>363,728</u>	<u>127,866</u>

At the balance sheet date, the charity was holding funds received in advance for a residential and day care fees.

16. Creditors - amounts falling due after more than one year

	Total 2025 £	Total 2024 £
Bank loans	<u>2,305,032</u>	<u>2,485,258</u>

17. Loans and overdrafts

	Total 2025 £	Total 2024 £
Bank loans	<u>2,480,553</u>	<u>2,705,830</u>
Payable within one year	175,521	220,572
Payable after more than one year	<u>2,305,032</u>	<u>2,485,258</u>
	<u>2,480,553</u>	<u>2,705,830</u>

The loans are secured by fixed charges over the specific properties to which they relate.

One loan facility is held with Unity Trust Bank and was originally due to mature within one year of the reporting date. However, negotiations to refinance the facility are ongoing, and the lender has indicated that it is not presently their intention to withdraw this funding. The average interest rate on this facility during the year was approximately 7.96%, with total interest charged of £193,437, presented within finance costs (see note 12). There are no financial covenants attached to this facility. Details of associated security are disclosed in note 13.

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

17. Loans and overdrafts (continued)

The second loan is a Coronavirus Business Interruption Loan Scheme (CBILS) facility, which carries a fixed interest rate of 7.5% and is due to mature in November 2025. Interest charged during the year amounted to £12,151 and is also included within finance costs (see note 12). There are no financial covenants associated with this loan.

The charity has an overdraft facility of £500,000 with Barclays Bank plc. This facility is secured by a debenture, a limited guarantee of £400,000 provided by the Department for Energy Security and Net Zero dated 26 November 2020, and legal charges over certain properties held by the charity. At the year end, no amount was drawn down on this facility.

18. Commitments under operating leases

At 31 March 2025, the charity was committed to making the following payments under non-cancellable operating leases :

	Total 2025 £	Total 2024 £
Within one year	1,335,954	1,332,217
Within two to five years inclusive	4,755,553	4,788,621
In over five years	17,074,942	18,102,072
	<u>23,166,449</u>	<u>24,222,910</u>

19. Analysis of funds

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Gains losses and transfers £	Balance at 31 March 2025 £
Restricted funds					
Alsop House	373,393	-	-	(373,393)	-
Pension	-	-	389,000	(389,000)	-
	<u>373,393</u>	<u>-</u>	<u>389,000</u>	<u>(762,393)</u>	<u>-</u>
Unrestricted funds					
General fund	8,363,238	16,605,271	(16,911,164)	373,393	8,430,738
	<u>8,363,238</u>	<u>16,605,271</u>	<u>(16,911,164)</u>	<u>373,393</u>	<u>8,430,738</u>
Total funds	<u>8,736,631</u>	<u>16,605,271</u>	<u>(16,522,164)</u>	<u>(389,000)</u>	<u>8,430,738</u>

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

19. Analysis of funds (continued)

Name of fund	Description, nature and purpose of fund
Restricted general fund	<p>Money given to the charity where the donor requires that a grant or donation be spent for a specific project.</p> <p>Funds relating to Alsop House were originally received from the National Lottery Community Fund, with a condition that 92% of the asset value would be repayable to the Fund in the event of disposal prior to 1 February 2025. As this date has now passed and the property has not been disposed of, there is no longer any repayment obligation and these funds have been transferred to the unrestricted fund.</p>
Unrestricted general fund	The free reserves of the charity which are not designated for particular purposes.

20. Analysis of net assets between funds

Fund balances at 31 March 2025
are represented by:

	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Total funds £
Tangible fixed assets	10,205,156	-	-	10,205,156
Current assets	2,250,622	-	-	2,250,622
Current liabilities	(1,720,008)	-	-	(1,720,008)
Long term liabilities	(2,305,032)	-	-	(2,305,032)
Total net assets	8,430,738	-	-	8,430,738

Comparative information in respect
of the preceding period is as
follows:

	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Total funds £
Tangible fixed assets	9,146,692	-	373,393	9,520,085
Current assets	3,460,755	-	-	3,460,755
Current liabilities	(1,758,951)	-	-	(1,758,951)
Long term liabilities	(2,485,258)	-	-	(2,485,258)
Total net assets	8,363,238	-	373,393	8,736,631

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

21. Financial commitments, guarantees and contingent liabilities

In the 2017-18 financial year, the charity entered into a lease with Real Estate Investors plc and Sandwell Valley School to act as the guarantor of the rent should the tenant (being Sandwell Valley School) fail to pay. The lease runs from 29 September 2016 to 28 September 2041 with a rental charge of £120,000 plus VAT per annum.

22. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Total 2025 £	Total 2024 £
Net income/(expenditure) for the year	83,107	448,443
Depreciation	14,150	-
Interest receivable	(9,695)	(9,500)
Defined benefit pension scheme cost less contributions payable (note 24)	25,000	39,000
Defined benefit pension scheme finance cost/(income) (note 24)	(406,000)	(313,000)
Defined benefit pension scheme unfunded benefits paid	(8,000)	(8,000)
(Increase) / decrease in debtors	894,122	100,805
Increase / (decrease) in creditors	6,108	436,958
Net cash flow from operating activities	<u>598,792</u>	<u>694,706</u>

23. Analysis of changes in net (debt)/funds

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	1,497,826	(316,011)	1,181,815
Loans falling due within one year	(220,572)	45,051	(175,521)
Loans falling due after more than one year	(2,485,258)	180,226	(2,305,032)
	<u>(1,208,004)</u>	<u>(90,734)</u>	<u>(1,298,738)</u>

24. Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £253,374 (2024 - £257,936).

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

24. Retirement benefit schemes (continued)

Defined benefit schemes

The charity operates a defined benefit pension plan for qualifying employees providing benefits based upon final pensionable pay. The pension plan is funded by the payment of contributions and assets of the plan are held in a separately administered fund.

The most recent comprehensive actuarial valuation of pension plan assets and the present value of the defined benefit obligation were carried out at 31 March 2019.

The fair value of the pension assets at 31 March 2025 are in excess of the present value of the defined benefit obligation at that date. This gives rise to a surplus of £10,349,000 (2024 - £8,423,000).

The surplus is recognised in the financial statements only to the extent that the charity can recover that surplus, either through a reduction in future contributions or through a refund to the charity.

The charity is not able to determine that future contributions will be reduced nor will it receive a refund in the foreseeable future. Therefore the surplus of £10,349,000 (2024 - £8,423,000) is not recognised as an asset at 31 March 2025. An adjustment has been made through the Statement of Financial Activities to reflect this.

Principal actuarial assumptions

	At 31 March 2025	At 31 March 2024
Discount rate for scheme liabilities	5.80%	3.78%
Rate of increase for pensions in payment / inflation	2.78%	2.78%
Rate of increase in salaries	3.78%	4.83%

Mortality assumptions

The assumed life expectations on retirement age 65 are:

	At 31 March 2025	At 31 March 2024
Retiring today		
Males	20.3	20.3
Females	22.7	22.7
Retiring in 20 years		
Males	19.4	19.5
Females	24.4	24.4

Amounts recognised in the statement of financial activities

	Total 2025 £	Total 2024 £
Current service cost	145,000	179,000
Interest income	(1,226,000)	(1,121,000)
Interest cost	820,000	808,000

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

24. Retirement benefit schemes (continued)

Amounts taken to other comprehensive income

	Total 2025 £	Total 2024 £
Actual return on scheme assets	-	-
Interest income	1,226,000	1,121,000
Return on scheme assets	1,226,000	1,121,000
Actuarial changes related to scheme assets	(389,000)	(282,000)

The actual return on scheme assets was 0.40% (2024 - 9.70%)

The amounts included on the balance sheet arising from the charity's obligations in respect of defined benefit schemes are as follows:

	Total 2025 £	Total 2024 £
Present value of defined benefit obligations	25,298,000	25,690,000
Fair value of plan assets	(25,298,000)	(25,690,000)
Deficit in scheme	-	-

Changes in the present value of defined benefit obligations were as follows :

	2024/25 £	2023/24 £
At 1 April 2024	25,690,000	23,793,000
Current service cost	145,000	179,000
Benefits paid	(653,000)	(590,000)
Unfunded benefits paid	(8,000)	(8,000)
Employee contributions	50,000	54,000
Actuarial gains/(losses)	(2,672,000)	(367,000)
Interest cost	820,000	808,000
Adjustment for unrecognised surplus in scheme	1,926,000	1,821,000
At 31 March 2025	25,298,000	25,690,000

The defined benefit obligations arise from plans funded as follows :

	2024/25 £	2023/24 £
Wholly unfunded obligations	81,000	89,000
Wholly or partly funded obligations	14,868,000	17,178,000
Adjustment for unrecognised surplus in scheme	10,349,000	8,423,000
	25,298,000	25,690,000

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

24. Retirement benefit schemes (continued)

Changes in the fair value of Trust's share of scheme assets were as follows :

	2024/25	2023/24
	£	£
At 1 April 2024	25,690,000	23,793,000
Interest income	1,226,000	1,121,000
Return on assets less interest	(1,135,000)	1,172,000
Benefits paid net of transfers in	(653,000)	(590,000)
Employer contributions	120,000	140,000
Employee contributions	50,000	54,000
At 31 March 2025	25,298,000	25,690,000

The trust's share of the assets in the scheme was :

	31 March 2025	31 March 2024
	£	£
Equities	12,396,020	15,670,900
Bonds	9,360,260	7,193,200
Property	1,770,860	1,541,400
Cash and other liquid assets	1,770,860	1,284,500
Total market value of assets	25,298,000	25,690,000

The latest asset split that has been provided allows for index returns, where required, on each asset category to determine the split of assets.

25. Related party transactions

The following related party transactions took place during the period :

Sandwell Valley School Limited

Trustees M Hall, A Coley and G Walker are company directors within Sandwell Valley School Limited. During the year, the charity incurred costs of £1,057 (2024 - £2,584) on behalf of Sandwell Valley School Limited. These costs were recharged in full and offset against the original expenditure. As such, they are not included within the Statement of Financial Activities. There was no amount outstanding at the year end (2024 - debtor balance of £246). All transactions were carried out in the normal course of business and on an arm's length basis.

Lymphcare UK CIC

During the year, the charity provided services to Lymphcare UK CIC, a company in which Kristina Jones, a member of the Board of Trustees, holds a position on the board. Income of £3,122 was received in the year (2024 - £3,870), and is recorded within income from charitable activities in the Statement of Financial Activities. At the year end, a balance of £125 was due from Lymphcare UK CIC (2024 - £4,245), and is included within debtors (see note 14). All transactions were carried out in the normal course of business and on an arm's length basis.

Sandwell Community Caring Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2025 (continued)

26. Exceptional costs

Property commission payment

During the year, the charity made a one-off payment of £425,000 in settlement of an historic commission claim relating to a property transaction originally completed in March 2021. The transaction enabled the charity to secure its continued occupation of the properties and resulted in a net gain of £521,000 to the charity at the time. Following legal advice, the trustees approved a negotiated settlement of £425,000, which was formalised by a signed settlement agreement.