

DONNINGTON HOUSE CARE HOME LIMITED

England & Wales · Charity number 1098508

Details

Status Registered

Legal form Charitable company

Company number [04693798](#)

Registered 2003-07-11

Register [View on the Charity Commission register](#)

Contact

Address 12 Birdham Road
Chichester
PO19 8TE

Phone 01243783883

Email info@donningtonhouse.co.uk

Website www.donningtonhouse.co.uk

Activities

Objects: TO PROVIDE RESIDENTIAL ACCOMMODATION AND ASSOCIATED AMENITIES FOR PERSONS IN NEED OF NURSING OR OTHER CARE AND WITH A CONNECTION TO CHICHESTER OR THE SURROUNDING AREA WHETHER BY WAY OF BIRTH, FAMILY OR OTHER ASSOCIATION.

Activities: The Charity operates as a Care Home, providing residential and nursing care for up to 28 older people with a connection to Chichester or the surrounding area.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Accommodation/housing
- **Who:** Elderly/old People

Geography

- **Area of benefit:** CHICHESTER OR THE SURROUNDING AREA
- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2025-05-31	£1,976,663	£1,978,659	£1,565,124	59
2024-05-31	£1,787,633	£1,762,233	£1,547,957	59
2023-05-31	£1,765,710	£1,821,989	£1,482,207	63
2022-05-31	£1,856,885	£1,713,163	£1,524,673	63
2021-05-31	£1,625,188	£1,663,285	£1,413,131	62

Trustees

Name	Role	Appointed
JOHN HUGH SHIPSTONE SHIPPAM JP DL	Chair	
ANNA HUTCHINGS		2017-11-30
Anne Bareham		2023-01-01
Dr GREG TAMLYN		2023-01-17
JILL EVERSLED MARTIN		
JUSTIN EVERSLED-MARTIN		2021-02-15
Laura Colville		2022-05-26
Laura Jayne Williams		2024-07-25

DONNINGTON HOUSE CARE HOME LIMITED

England & Wales - Charity number 1098508

Accounts

Charity registration number 1098508

Company registration number 04693798 (England and Wales)

DONNINGTON HOUSE CARE HOME LIMITED
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2024

DONNINGTON HOUSE CARE HOME LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J H S Shippam	
	Mrs J N Evershed-Martin	
	Dr G Tamlyn	
	Mrs A Hutchings	
	Mr J C Evershed-Martin	
	Mrs A E Bareham	
	Mrs L Colville	(Appointed 10 February 2024)
	Mrs L J Williams	(Appointed 25 July 2024)
Secretary	Mrs L Colville	
Senior management	Sophie Lafferty	Registered manager
	Dana Buza	Deputy manager
	Samantha Saunders Lane	Business manager
Charity number	1098508	
Company number	04693798	
Auditor	Moore (South) LLP	
	City Gates	
	2 - 4 Southgate	
	Chichester	
	West Sussex	
	PO19 8DJ	
Bankers	NatWest Bank Plc	
	5 East Street	
	Chichester	
	West Sussex	
	PO19 1HH	
Solicitors	Irwin Mitchell LLP	
	Thomas Eggar House	
	Friary Lane	
	Chichester	
	West Sussex	
	PO19 1UF	

DONNINGTON HOUSE CARE HOME LIMITED

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DONNINGTON HOUSE CARE HOME LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MAY 2024

The trustees present their annual report and financial statements for the year ended 31 May 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 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 (FRS 102)" (effective 1 January 2019). The trustees' have taken advantage of the small companies exemption provided by section 415A of the Companies Act.

Objectives and activities

The object of the Charity is to provide residential accommodation and associated amenities for persons in need of nursing or other care and with a connection to Chichester or the surrounding area whether by way of birth, family or other association.

The organisation is a charitable company limited by guarantee, incorporated on 11 March 2003 and registered as a charity on 11 July 2003. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association.

The company is registered in England and Wales with the registered number 04693798.

The Charity is registered with the Charity Commission with the registered number 1098508.

Strategies for achieving aims and objectives

The Charity's area of benefit places a geographical restriction which limits the acceptance of residents to those who live or have strong family ties to the area of Chichester and District.

The home was established in 1952 with the ethos of giving help to the less well-off elderly and continues to make its accommodation available to such individuals, subject to demand. Welfare changes mean that today, the less well-off will be funded by the relevant statutory bodies, provided they meet their financial criteria, and will be assessed by them prior to placement in the care environment. Owing to the capping of Social Services rates paid to care homes, none of the rates charged for our rooms now fall within the funding rates paid by West Sussex County Council – the relevant local authority. However the Trustees will continue to exercise their discretion in respect of admissions, where the local authority will be funding the care, to ensure that the home continues to observe its charitable aims and, provided their care needs can be met, no person is refused care because of any inability to meet our charges in full.

The home is restricted by the statutory regulatory body (the Care Quality Commission) with regard to the minimum age of its residents and certain care needs cannot be met under the terms of our registration. In all other respects the Charity does not discriminate on the grounds of gender, sexual orientation or ethnic origin.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Activities

Management attend a Managers Forum quarterly that provides valuable information regarding legislation and it shares best practice among all local Home managers.

The management team are very aware of monitoring staff costs and keeping within budget, using our own staff as much as possible in preference to agency which have had to be used to a limited extent during this year to cover staff vacancies. Our Clinical Lead will be responsible for proactively applying for any, and all, benefits we are entitled to.

DONNINGTON HOUSE CARE HOME LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

Achievements and performance

Significant activities and achievements against objectives

Occupancy levels overall for the year have been 77% (2023 – 74%). The fee income was £1,702,436 compared with £1,700,462 for last year. Our costs have been well controlled with no increase to room rates for two years. Our overall result is a surplus of £65,750 compared with a deficit £42,466 for last year. This excellent result has been boosted by donations. The trustees are particularly grateful to Chris Bartlett's very generous donation of £50,000 for benefit of the residents and staff. This has made a huge difference all involved.

The trustees continue to appreciate and are so grateful for the hard work of the entire staff and the high standard of care that they give to our residents

We remain grateful to the Bassil Shippam & Alsford Trust and the F G Woodger Trust for their continued support of the Charity.

Financial review

The directors report a surplus of £65,750 (2023 - deficit £42,466). The balance sheet value of the Charity's net assets at 31 May 2024 was £1,547,957 (2023 - £1,482,207).

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop 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. This level of reserves has been maintained throughout the year.

Fixed assets

Tangible fixed assets are all held for use by the Charity. The buildings were last valued in September 2019 by Marshall Clark, Chartered Surveyors, for insurance reinstatement purposes, at £4,520,000.

Investment policy

The trustees have the power to invest in such assets as they see fit.

The Charity sometimes needs to react very quickly to particular emergencies and has a policy of keeping enough working capital in short-term deposits which can be accessed readily. Any further funds are invested by the Charity's investment managers to whom day to day management of investments has been delegated by the directors.

The Trustees continue to keep under review the investment strategy.

Major risks

The trustees examine the major risks that the charity faces each year when preparing and updating the strategic plan, or more frequently as circumstances arise. The charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the home in the future.

A comprehensive risk register measures the extent of each risk and its likely impact on the charity's business. In relation to finance, the charity recognises that as 99% of its income, excluding grants and donations, is derived from residents' contributions, any significant reduction in residents represents a significant financial risk. The charity seeks to mitigate this by prudent budgeting and by ensuring that it retains sufficient reserves to meet unexpected annual deficits.

The charity also recognises the risks of a negative report from the Care Quality Commission and/or Health & Safety. The charity seeks to mitigate this by robust quality management procedures and regular staff training.

DONNINGTON HOUSE CARE HOME LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

Plans for future periods

The Charity remains in a sound financial state as a result of setting a realistic budget target for the Home's operations. However concerns still remain that statutory funding caps and cutbacks will have a detrimental impact on our ability to maintain and build upon our reserves and the Trustees continue to look at other possible sources of funding from benefactors and other trusts, with a view to mitigating the long term effects. The charity has chosen to use the current building and facilities to their full potential rather than develop them further.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 11 March 2003 and registered as a charity on 11 July 2003. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J H S Shippam

Mrs J N Evershed-Martin

Dr G Tamlyn

Mrs A Hutchings

Mr J C Evershed-Martin

Mrs A E Bareham

Rev E Graeme

Mrs L Colville

Mrs L J Williams

(Resigned 28 March 2024)

(Appointed 10 February 2024)

(Appointed 25 July 2024)

Recruitment and appointment of trustees

Directors are appointed by the members in general meeting, except where an appointment is made to fill a casual vacancy, in which case the directors can appoint a new director to hold office until the next Annual General Meeting.

The present Trustees have a wealth of experience and are fortunate in that they have access to professional advice, which keeps them abreast of developments which may affect the Charity. Board representation includes members with previous business experience as well as experienced legal, and architectural professionals. A local GP acts as an advisor to the Home and attends board meetings whenever possible.

Organisational structure

The Charity is controlled by the Board of Directors, who are also the trustees.

The day-to-day management of the care home is delegated to the its senior management staff, as disclosed on the legal and administrative page to these accounts.

Remuneration policy

All of the Trustees give their time voluntarily and received no benefits from the Charity. No expenses were reimbursed to them during the year.

DONNINGTON HOUSE CARE HOME LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MAY 2024**

Statement of Trustees' responsibilities

The trustees, who are also the directors of Donnington House Care Home Limited for the purpose 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).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- 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 charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Moore (South) LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

Mr J H S Shippam

17 December 2024

DONNINGTON HOUSE CARE HOME LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DONNINGTON HOUSE CARE HOME LIMITED

Opinion

We have audited the financial statements of Donnington House Care Home Limited (the 'charity') for the year ended 31 May 2024 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 May 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'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 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 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. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

DONNINGTON HOUSE CARE HOME LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DONNINGTON HOUSE CARE HOME LIMITED

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to 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 statement of Trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspect fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

DONNINGTON HOUSE CARE HOME LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DONNINGTON HOUSE CARE HOME LIMITED

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior experience and appropriate knowledge of the client and who had the required competence and skills in the not-for-profit sector to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud. Management override was identified as a significant fraud risk. This is due to the ability to bypass controls and accounting policies adopted.
- Revenue recognition was identified as a significant risk, specifically with regards to completeness of income.
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council. We considered how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed transactions with related parties and in particular Trustees; and
- reviewed the disclosures within the financial statements to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of irregularities with regards to the completeness of income we:-

- performed analytical procedures to identify any unusual or unexpected relationships, along with comparison to budget;
- reconciled fee income in total compared to known occupancy and fee rates,
- tested a sample of grants and donations to supporting documentation confirming income was correctly accounted for; and
- reviewed income received around the year end, ensuring cut-off correctly applied.

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

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

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.

DONNINGTON HOUSE CARE HOME LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DONNINGTON HOUSE CARE HOME LIMITED

Matthew Bather (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP

21 December 2024

Chartered Accountants
Statutory Auditor

City Gates
2 - 4 Southgate
Chichester
West Sussex
PO19 8DJ

DONNINGTON HOUSE CARE HOME LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MAY 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income from:							
Donations and legacies	3	28,013	50,000	78,013	63,021	-	63,021
Contributions for residents' fees		1,702,436	-	1,702,436	1,700,462	-	1,700,462
Investments	4	7,184	-	7,184	2,227	-	2,227
Total income		<u>1,737,633</u>	<u>50,000</u>	<u>1,787,633</u>	<u>1,765,710</u>	<u>-</u>	<u>1,765,710</u>
Expenditure on:							
Raising funds	5	3,548	-	3,548	3,118	-	3,118
Charitable activities	6	1,740,000	18,685	1,758,685	1,808,471	10,400	1,818,871
Total resources expended		<u>1,743,548</u>	<u>18,685</u>	<u>1,762,233</u>	<u>1,811,589</u>	<u>10,400</u>	<u>1,821,989</u>
Net gains/(losses) on investments	11	<u>40,350</u>	<u>-</u>	<u>40,350</u>	<u>13,813</u>	<u>-</u>	<u>13,813</u>
Net income/(expenditure)		<u>34,435</u>	<u>31,315</u>	<u>65,750</u>	<u>(32,066)</u>	<u>(10,400)</u>	<u>(42,466)</u>
Transfers between funds		<u>41,715</u>	<u>(41,715)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds	8	<u>76,150</u>	<u>(10,400)</u>	<u>65,750</u>	<u>(32,066)</u>	<u>(10,400)</u>	<u>(42,466)</u>
Reconciliation of funds:							
Fund balances at 1 June 2023		<u>1,155,707</u>	<u>326,500</u>	<u>1,482,207</u>	<u>1,187,773</u>	<u>336,900</u>	<u>1,524,673</u>
Fund balances at 31 May 2024		<u>1,231,857</u>	<u>316,100</u>	<u>1,547,957</u>	<u>1,155,707</u>	<u>326,500</u>	<u>1,482,207</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

DONNINGTON HOUSE CARE HOME LIMITED

BALANCE SHEET

AS AT 31 MAY 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		745,363		741,554
Current assets					
Debtors	14	58,394		223,773	
Investments	15	377,918		341,100	
Cash at bank and in hand		518,926		325,818	
		<u>955,238</u>		<u>890,691</u>	
Creditors: amounts falling due within one year	16	<u>(152,644)</u>		<u>(150,038)</u>	
Net current assets			802,594		740,653
Total assets less current liabilities			<u>1,547,957</u>		<u>1,482,207</u>
The funds of the charity					
Restricted income funds	18	316,100		326,500	
Unrestricted funds	19	1,231,857		1,155,707	
		<u>1,547,957</u>		<u>1,482,207</u>	

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

The financial statements were approved by the trustees on 17 December 2024

Mr J H S Shippam

Company registration number 04693798 (England and Wales)

DONNINGTON HOUSE CARE HOME LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		226,771		(74,729)
Investing activities					
Purchase of tangible fixed assets		(44,379)		(5,898)	
Purchase of investments		-		(254,754)	
Proceeds from disposal of investments		3,532		257,252	
Investment income received		7,184		2,227	
Net cash used in investing activities			(33,663)		(1,173)
Net increase/(decrease) in cash and cash equivalents			193,108		(75,902)
Cash and cash equivalents at beginning of year			325,818		401,720
Cash and cash equivalents at end of year			518,926		325,818

DONNINGTON HOUSE CARE HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2024

1 Accounting policies

Charity information

Donnington House Care Home Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 12 Birdham Road, Donnington, Chichester, West Sussex, PO19 8TE.

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while they are a member, or within one year after he ceases to be a member.

The nature of the charity and the principal activities of the company are noted in the Trustees Report.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention unless otherwise stated in the relevant accounting policy or note. The principal accounting policies adopted are set out below.

1.2 Going concern

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 the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

General unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity.

Designated funds are funds which have been set aside at the discretion of the trustees for particular projects.

Restricted funds are funds to be used in accordance with specific restrictions imposed by the donors or which have been raised by the Charity for particular purposes.

1.4 Income

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

There were no material gifts in kind during the year and no amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

DONNINGTON HOUSE CARE HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

All expenditure is accounted for on an accruals basis and is recognised when a liability is incurred.

The cost headings comprise expenditure, including staff costs, directly attributable to each activity.

Costs of generating funds, if any, are those costs related to administering voluntary donations, investments and fundraising activities. Governance costs relate to the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.

Central overheads may be allocated on the basis of their use.

Resources expended include attributable VAT which cannot be recovered.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line on buildings
Fixtures and fittings	straight line over 2 to 10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

Financial instruments are recognised in the statements of financial activities when the Charity becomes a part to the contractual provisions of the instrument. Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS102.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective rate method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure.

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 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.

Investments are recognised initially at cost, which is transaction price less transactions costs. Subsequently, the investments are included at closing mid-market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

DONNINGTON HOUSE CARE HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors 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 or are discharged or cancelled.

1.9 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. As such, the charity is exempt from Corporation Tax on its charitable activities and accordingly no corporation tax has been provided in these accounts.

1.10 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 recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

The Charity has arranged a defined contribution pension scheme for all eligible employees. The assets of the scheme are held separately from those of the Charity. Pension costs charged in the SoFA represent the contributions payable by the Charity in the year.

2 Critical accounting estimates and judgements

In preparing the accounts, the trustees make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Depreciation – the Charity accounts for depreciation in accordance with FRS 102. The depreciation expense is the recognition of the decline in the value of the asset and allocation of the cost of the asset over the periods in which the asset will be used. Judgements are made on the estimated useful life of the assets which are regularly reviewed.

DONNINGTON HOUSE CARE HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

3 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	28,013	50,000	78,013	53,021	-	53,021
Woodger Trust grant	-	-	-	10,000	-	10,000
	<u>28,013</u>	<u>50,000</u>	<u>78,013</u>	<u>63,021</u>	<u>-</u>	<u>63,021</u>

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	16	597
Interest receivable	7,168	1,630
	<u>7,184</u>	<u>2,227</u>

5 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Investment management	<u>3,548</u>	<u>3,118</u>

DONNINGTON HOUSE CARE HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

6 Expenditure on charitable activities

	Charitable activities 2024 £	Charitable activities 2023 £
Direct costs		
Staff costs	1,244,577	1,325,716
Depreciation and impairment	40,570	25,314
Agency costs	23,870	31,946
Provisions	52,642	62,897
Rates and water	6,413	5,949
Insurance	12,435	11,725
Light and heat	39,807	38,236
Repairs to property	22,789	5,976
Repairs and renewals of equipment	70,577	86,812
Sundry household expenditure	77,690	77,262
	<u>1,591,370</u>	<u>1,671,833</u>
Share of support and governance costs (see note 7)		
Support	147,515	133,356
Governance	19,800	13,682
	<u>1,758,685</u>	<u>1,818,871</u>
Analysis by fund		
Unrestricted funds	1,740,000	1,808,471
Restricted funds - general	18,685	10,400
	<u>1,758,685</u>	<u>1,818,871</u>

7 Support costs allocated to activities

	2024 £	2023 £
Staff costs	104,527	80,028
Staff training and recruitment	17,593	28,296
Legal and professional fees	13,024	9,433
Printing, postage, advertising and telephone	11,056	14,329
Bank charges	1,315	1,270
Governance costs	19,800	13,682
	<u>167,315</u>	<u>147,038</u>
Analysed between:		
Charitable activities	<u>167,315</u>	<u>147,038</u>

DONNINGTON HOUSE CARE HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

8 Net movement in funds

2024	2023
£	£

The net movement in funds is stated after charging/(crediting):

Fees payable to the charity's auditor:

- for the audit of the charity's financial statements

13,300	7,450
--------	-------

- for other financial services

6,500	6,232
-------	-------

Depreciation of owned tangible fixed assets

40,570	25,314
--------	--------

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

2024	2023
Number	Number

Household

14	15
----	----

Qualified nurses

10	13
----	----

Care staff

32	32
----	----

Administration and management

3	3
---	---

Total

59	63
----	----

Employment costs

2024	2023
£	£

Wages and salaries

1,226,350	1,283,328
-----------	-----------

Social security costs

99,065	106,578
--------	---------

Other pension costs

23,689	15,838
--------	--------

1,349,104	1,405,744
-----------	-----------

The number of employees whose annual remuneration was more than £60,000 is as follows:

2024	2023
Number	Number

£60,000 to £69,999

1	1
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DONNINGTON HOUSE CARE HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

11 Gains and losses on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Gains/(losses) arising on:		
Revaluation of investments	40,350	4,305
Sale of investments	-	9,508
	<u>40,350</u>	<u>13,813</u>

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 June 2023	949,381	259,134	1,208,515
Additions	-	44,379	44,379
Disposals	-	(23,035)	(23,035)
At 31 May 2024	<u>949,381</u>	<u>280,478</u>	<u>1,229,859</u>
Depreciation and impairment			
At 1 June 2023	261,696	205,265	466,961
Depreciation charged in the year	15,719	18,334	34,053
Eliminated in respect of disposals	-	(16,518)	(16,518)
At 31 May 2024	<u>277,415</u>	<u>207,081</u>	<u>484,496</u>
Carrying amount			
At 31 May 2024	<u>671,966</u>	<u>73,397</u>	<u>745,363</u>
At 31 May 2023	<u>687,685</u>	<u>53,869</u>	<u>741,554</u>

The net book value at 31 May 2024 represented fixed assets used for direct charitable purposes.

In September 2019 the trustees obtained an independent professional reinstatement cost assessment of the Charity's freehold property for insurance purposes of £4,520,000 by Marshall Clark Chartered Surveyors. Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses. The 'at cost' valuation, not the insurance valuation, is recognised within the financial statements.

DONNINGTON HOUSE CARE HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

14 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	52,179	217,648
Prepayments and accrued income	6,215	6,125
	<u>58,394</u>	<u>223,773</u>

15 Current asset investments

	2024 £	2023 £
Listed investments	<u>377,918</u>	<u>341,100</u>

Market value includes portfolio cash of £951 (2023 - £851).

Movements in listed investment in the period relate to disposals of (£3,548); dividends reinvested of £16; and net gain on revaluation £40,350.

16 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	1,242	5,780
Trade creditors	80,636	65,710
Accruals and deferred income	70,766	78,548
	<u>152,644</u>	<u>150,038</u>

17 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>23,689</u>	<u>15,838</u>

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.

As at the year end contributions totalling £611 (2023 - £4,557) were due to the scheme.

DONNINGTON HOUSE CARE HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2024

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 June 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 May 2024 £
Building fund	320,250	-	(9,150)	-	311,100
National Lottery grant	6,250	-	(1,250)	-	5,000
Specific purposes donation	-	50,000	(8,285)	(41,715)	-
	<u>326,500</u>	<u>50,000</u>	<u>(18,685)</u>	<u>(41,715)</u>	<u>316,100</u>
Previous year:	At 1 June 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 May 2023 £
Building fund	329,400	-	(9,150)	-	320,250
National Lottery grant	7,500	-	(1,250)	-	6,250
	<u>336,900</u>	<u>-</u>	<u>10,400</u>	<u>-</u>	<u>326,500</u>

The restricted building fund relates to donations received and expenditure regarding the extension, redevelopment and refurbishment work undertaken at the care home.

During the year ended 31 May 2024 a donation of £50,000 was received to be utilised for specific purposes. The agreed purposes of the donation were for the enhanced safety and comfort of accommodation and patient handling, advanced interactive AV equipment to facilitate mental stimulation and environment upgrade and enhancement. These funds were all spent during the year. Funds have been transferred to unrestricted funds in relation to amounts of the donation that have been used to acquire items treated as fixed assets, as it is considered that the restriction has been met at the point of purchase.

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific projects and events.

	At 1 June 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 May 2024 £
Designated funds	7,311	-	-	-	-	7,311
General funds	1,148,396	1,737,633	(1,743,548)	41,715	40,350	1,224,546
	<u>1,155,707</u>	<u>1,737,633</u>	<u>(1,743,548)</u>	<u>41,715</u>	<u>40,350</u>	<u>1,231,857</u>

DONNINGTON HOUSE CARE HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

19 Unrestricted funds (Continued)

Previous year:	At 1 June 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 May 2023
	£	£	£	£	£	£
Designated funds	7,311	-	-	-	-	7,311
General funds	1,180,462	1,765,710	(1,811,589)	-	13,813	1,148,396
	<u>1,187,773</u>	<u>1,765,710</u>	<u>1,811,589</u>	<u>-</u>	<u>13,813</u>	<u>1,155,707</u>

20 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 May 2024:			
Tangible assets	429,263	316,100	745,363
Current assets/(liabilities)	802,594	-	802,594
	<u>1,231,857</u>	<u>316,100</u>	<u>1,547,957</u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 May 2023:			
Tangible assets	420,054	321,500	741,554
Current assets/(liabilities)	735,653	5,000	740,653
	<u>1,155,707</u>	<u>326,500</u>	<u>1,482,207</u>

21 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	23,049	25,598
Between two and five years	19,989	38,161
In over five years	-	460
	<u>43,038</u>	<u>64,219</u>

DONNINGTON HOUSE CARE HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

22 Related party transactions

During the year the Charity received donations totalling £21,850 (2023 - £42,000) from the Bassil Shippam and Alsford Trust. J H S Shippam is also a trustee of this trust. During the year the Charity also received donations totalling £nil (2023 - £5,000) from J H S Shippam.

23 Cash generated from operations	2024 £	2023 £
Surplus/(deficit) for the year	65,750	(42,466)
Adjustments for:		
Investment income recognised in statement of financial activities	(7,184)	(2,227)
Gain on disposal of investments	-	(9,508)
Fair value gains and losses on investments	(40,350)	(4,305)
Depreciation and impairment of tangible fixed assets	40,570	25,314
Movements in working capital:		
Decrease/(increase) in debtors	165,379	(22,689)
Increase/(decrease) in creditors	2,606	(18,848)
Cash generated from/(absorbed by) operations	226,771	(74,729)

DONNINGTON HOUSE CARE HOME LIMITED

England & Wales - Charity number 1098508

Accounts

Company registration number 04693798 (England & Wales)

Charity registration number 1098508

DONNINGTON HOUSE CARE HOME LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**

DONNINGTON HOUSE CARE HOME LIMITED INFORMATION

Constitution

The organisation is a charitable company limited by guarantee, incorporated on 11 March 2003 and registered as a Charity on 11 July 2003. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association.

Objects of the Charity

The object of the Charity is to provide residential accommodation and associated amenities for persons in need of nursing or other care and with a connection to Chichester or the surrounding area whether by way of birth, family or other association.

Directorate

J H S Shippam (Chairman)
Mrs J N Evershed-Martin
Dr G Tamlyn
Mrs A Hutchings
J C Evershed-Martin
Mrs A E Bareham
Rev. E Graeme
Mrs L Colville

Company Secretary

Mrs L Colville

Registered Manager

Sophie Lafferty

Deputy Manager

Florentin Dudu

Business Manager

Sam Saunders Lane

Bankers

National Westminster Bank plc
5 East Street
Chichester
West Sussex
PO19 1HH

Auditors

Moore (South) LLP
City Gates
2-4 Southgate
Chichester
West Sussex
PO19 8DJ

Solicitors

Irwin Mitchell
Thomas Eggar House
Friary Lane
Chichester
West Sussex
PO19 1UF

Registered Office

12 Birdham Road
Donnington
Chichester
West Sussex
PO19 8TE

DONNINGTON HOUSE CARE HOME LIMITED

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**TRUSTEES' AND DIRECTORS' ANNUAL REPORT AND STRATEGIC REPORT
FOR THE YEAR ENDED 31 MAY 2023**

The trustees, who are also directors of the company, present their annual report and audited financial statements for the year ended 31 May 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities (FRS102)" in preparing the annual report and financial statements of the charity.

Structure, Governance and Management**Object of the Charity**

The object of the Charity is to provide residential accommodation and associated amenities for persons in need of nursing or other care and with a connection to Chichester or the surrounding area whether by way of birth, family or other association.

The organisation is a charitable company limited by guarantee, incorporated on 11 March 2003 and registered as a charity on 11 July 2003. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association.

The company is registered in England and Wales with the registered number 04693798.

The Charity is registered with the Charity Commission with the registered number 1098508.

Organisation

The Charity is controlled by the Board of Directors, who are also the trustees.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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;
- 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 Charity will continue in business

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

**TRUSTEES' AND DIRECTORS' ANNUAL REPORT AND STRATEGIC REPORT continued
FOR THE YEAR ENDED 31 MAY 2023****Principal activities, achievements and business review**

The principal activity of the Charity continued to be that of the provision of residential accommodation for persons in need of nursing or other care, associated to the Chichester area and in this context the Trustees have taken into consideration the charity's aims in respect of public benefit.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Management attend a Managers Forum quarterly that provides valuable information regarding legislation and it shares best practice among all local Home managers.

The management team are very aware of monitoring staff costs and keeping within budget, using our own staff as much as possible in preference to agency which have had to be used to a limited extent during this year to cover staff vacancies.

Our overall result is a deficit of £42,466.

The trustees continue to appreciate and are so grateful for the hard work of the entire staff and the high standard of care that they give to our residents.

We remain grateful to the Bassil Shippam & Alsford Trust and the F G Woodger Trust for their continued support of the Charity.

Fixed assets

Tangible fixed assets are all held for use by the Charity. The buildings were last valued in September 2019 by Marshall Clark, Chartered Surveyors, for insurance reinstatement purposes, at £4,520,000.

Risk management

The trustees examine the major risks that the charity faces each year when preparing and updating the strategic plan, or more frequently as circumstances arise. The charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the home in the future.

A comprehensive risk register measures the extent of each risk and its likely impact on the charity's business. In relation to finance, the charity recognises that as 99% of its income, excluding grants and donations, is derived from residents' contributions, any significant reduction in residents represents a significant financial risk. The charity seeks to mitigate this by prudent budgeting and by ensuring that it retains sufficient reserves to meet unexpected annual deficits.

The charity also recognises the risks of a negative report from the Care Quality Commission and/or Health & Safety. The charity seeks to mitigate this by robust quality management procedures and regular staff training.

Trustee Training

The present Trustees have a wealth of experience and are fortunate in that they have access to professional advice, which keeps them abreast of developments which may affect the Charity. Board representation includes members with previous business experience as well as experienced legal, and architectural professionals. A local GP acts as an advisor to the Home and attends board meetings whenever possible.

**TRUSTEES' AND DIRECTORS' ANNUAL REPORT AND STRATEGIC REPORT continued
FOR THE YEAR ENDED 31 MAY 2023****Investment policy and performance**

The trustees have the power to invest in such assets as they see fit.

The Charity sometimes needs to react very quickly to particular emergencies and has a policy of keeping enough working capital in short-term deposits which can be accessed readily. Any further funds are invested by the Charity's investment managers to whom day to day management of investments has been delegated by the directors.

The Trustees continue to keep under review the investment strategy.

Future

The Charity remains in a sound financial state as a result of setting a realistic budget target for the home's operations. However concerns still remain that statutory funding caps and cutbacks will have a detrimental impact on our ability to maintain and build upon our reserves and the Trustees continue to look at other possible sources of funding from benefactors and other trusts, with a view to mitigating the long term effects. The charity has chosen to use the current building and facilities to their full potential rather than develop them further.

Financial Review

The directors report a deficit of £42,466 for the year ended 31 May 2023. The balance sheet value of the Charity's net assets at 31 May 2023 was £1,482,207.

Reserves

As outlined above the principal activity of the Charity is to provide residential accommodation and associated amenities for persons in need of nursing or other care, with a connection to Chichester. The Charity's main sources of income are of an ongoing and recurring nature and are derived from contributions from residents and or funding received on their behalf from Social and Caring Services and Clinical Commissioning Groups.

In assessing the free reserves of the Charity, which are those funds not tied up in fixed assets, and restricted funds, the Board reviewed this constant flow of income and have taken the view that free reserves should be established at a level equivalent to six months operating costs. This is to cover premises, administrative and support costs to satisfy the requirement to provide residential facilities. The home has achieved a consistent level of free reserves which currently stand at just under five months; the aim continues to be to reach a figure closer to the recommended level of six months, and the Trustees strategy continues to achieve this.

Public Benefit

The Charity's area of benefit places a geographical restriction which limits the acceptance of residents to those who live or have strong family ties to the area of Chichester and District.

The home was established in 1952 with the ethos of giving help to the less well-off elderly and continues to make its accommodation available to such individuals, subject to demand. Welfare changes mean that today, the less well-off will be funded by the relevant statutory bodies, provided they meet their financial criteria, and will be assessed by them prior to placement in the care environment. Owing to the capping of Social Services rates paid to care homes, none of the rates charged for our rooms now fall within the funding rates paid by West Sussex County Council – the relevant local authority. However the Trustees will continue to exercise their discretion in respect of admissions, where the local authority will be funding the care, to ensure that the home continues to observe its charitable aims and, provided their care needs can be met, no person is refused care because of any inability to meet our charges in full.

**TRUSTEES' AND DIRECTORS' ANNUAL REPORT AND STRATEGIC REPORT continued
FOR THE YEAR ENDED 31 MAY 2023****Public Benefit - continued**

The home is restricted by the statutory regulatory body (the Care Quality Commission) with regard to the minimum age of its residents and certain care needs cannot be met under the terms of our registration. In all other respects the Charity does not discriminate on the grounds of gender, sexual orientation or ethnic origin.

Governance

Directors are appointed by the members in general meeting, except where an appointment is made to fill a casual vacancy, in which case the directors can appoint a new director to hold office until the next Annual General Meeting.

The directors who served during the period are shown below:

J H S Shippam (Chairman)
Mrs J N Evershed-Martin
Mrs V B Bevis (Resigned 31 October 2022)
Mrs A E Bareham (Appointed 1 January 2023)
Dr G Tamlyn
Mrs A Hutchings
J P Christopher (Resigned 31 October 2022)
J C Evershed-Martin
Mrs L Colville
Rev. E Graeme (Appointed 1 November 2022)

All of the Trustees give their time voluntarily and received no benefits from the Charity. No expenses were reimbursed to them during the year.

Auditors

The board will place a resolution before the Annual General Meeting for the re-appointment of Moore (South) LLP as auditors for the ensuing year.

Statement of disclosure to auditor

So far as the directors are aware:

- there is no relevant audit information of which the Charity's auditor is unaware; and
- the trustees have taken all the steps 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.

By Order of the Board.

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J H S Shippam
Director

Date: February 2024

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF DONNINGTON HOUSE CARE HOME LIMITED****Opinion**

We have audited the financial statements of Donnington House Care Home Limited for the year ended 31 May 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS102, 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 May 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 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 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 audit 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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF DONNINGTON HOUSE CARE HOME LIMITED continued

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the accounts 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 the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities Statement set out on page 1, 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.

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

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

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit.

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF DONNINGTON HOUSE CARE HOME LIMITED continued

However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior experience and appropriate knowledge of the client and who had the required competence and skills in the not-for-profit sector to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud. Management override was identified as a significant fraud risk. This is due to the ability to bypass controls and accounting policies adopted.
- Revenue recognition was identified as a significant risk, specifically with regards to completeness of income.
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council. We considered how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding and assessed the impact and effect of Covid-19 on the operations of the charitable company and adapted our approach accordingly. We enquired and obtained evidence to support the going concern assumption and reviewed grants received, dovetailed with work undertaken on management override.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed transactions with related parties and in particular Trustees; and
- reviewed the disclosures within the financial statements to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of irregularities with regards to the completeness of income we:-

- performed analytical procedures to identify any unusual or unexpected relationships, along with comparison to budget;
- reconciled fee income in total compared to known occupancy and fee rates,
- tested a sample of grants and donations to supporting documentation confirming income was correctly accounted for; and
- reviewed income received around the year end, ensuring cut-off correctly applied.

INDEPENDENT AUDITORS' REPORT (CONTINUED)**TO THE MEMBERS OF DONNINGTON HOUSE CARE HOME LIMITED continued**

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

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

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.

Matthew Bather (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP

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Chartered Accountants
Statutory Auditor

City Gates
2-4 Southgate
Chichester
West Sussex
PO19 8DJ

STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 MAY 2023

	<u>Notes</u>	Unrest- ricted <u>Funds</u>	Restricted <u>Funds</u>	Total <u>2023</u>	Total <u>2022</u>
Income from:					
Voluntary Income:					
Donations		53,021	-	53,021	19,273
Grants		10,000	-	10,000	41,871
Investment income – dividends		597	-	597	1,074
Charitable activities:					
Contributions for residents fees		1,700,462	-	1,700,462	1,794,593
Other income		1,630	-	1,630	74
		-----	-----	-----	-----
Total income		1,765,710	-	1,765,710	1,856,885
		-----	-----	-----	-----
Expenditure on:					
Cost of generating funds:					
Investment management costs		3,118	-	3,118	4,050
Charitable activities:					
Premises		143,547	9,150	152,697	139,220
Support costs		1,577,848	-	1,577,848	1,510,510
Administration and management		87,076	1,250	88,326	59,383
		-----	-----	-----	-----
Total expenditure	4	1,811,589	10,400	1,821,989	1,713,163
		-----	-----	-----	-----
Net income / (expenditure)	5	(45,879)	(10,400)	(56,279)	143,722
Transfers between funds		-	-	-	-
Realised gains on investments		9,508	-	9,508	-
Unrealised gains / (losses) on investments		4,305	-	4,305	(32,180)
		-----	-----	-----	-----
Net movement in funds - total comprehensive income		(32,066)	(10,400)	(42,466)	111,542
Funds brought forward		1,187,773	336,900	1,524,673	1,413,131
		-----	-----	-----	-----
Funds carried forward	14	£1,155,707	£326,500	£1,482,207	£1,524,673
		=====	=====	=====	=====

The above statement of financial activities includes all gains or losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The accompanying notes on pages 12 to 19 are an integral part of this statement of financial activities.

BALANCE SHEET
AS AT 31 MAY 2023

	<u>Note</u>	<u>2023</u>	<u>2022</u>
Fixed assets			
Tangible assets	8	741,554	760,970
Current assets			
Investments	9	341,100	329,785
Debtors	11	223,773	201,084
Cash at bank and in hand		325,818	401,720
		-----	-----
		890,691	932,589
Creditors			
Amounts falling due within one year	12	(150,038)	(168,886)
		-----	-----
Net current assets		740,653	763,703
		-----	-----
Total assets less current liabilities		£1,482,207	£1,524,673
		=====	=====
 Called up share capital	13	-	-
Unrestricted income funds			
General funds	14	1,155,707	1,187,773
Restricted funds	14	326,500	336,900
		-----	-----
Total funds		£1,482,207	£1,524,673
		=====	=====

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

Approved by the Board of Trustees and signed on their behalf on: February 2024

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J H S Shippam
 Director

The accompanying notes on pages 12 to 19 are an integral part of this balance sheet.

Company Registration No: 04693798

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2023

	<u>Notes</u>	<u>£</u>	2023 <u>£</u>	2022 <u>£</u>
Cash outflow from operating activities	6		(71,611)	(6,106)
Cash flow from investing activities				
Interest received		1,630		74
Dividends received		597		1,074
Disposal of investments		257,252		2,976
Acquisition of investments		(254,754)		-
Investment management costs		(3,118)		(4,050)
Payments to acquire tangible assets		(5,898)		(4,709)
		-----		-----
Net cash used in investing activities			(4,291)	(4,635)
			-----	-----
Net decrease in cash and cash equivalents			(75,902)	(10,741)
Cash and cash equivalents at 1 June			401,720	412,461
			-----	-----
Cash and cash equivalents at 31 May			£325,818	£401,720
			=====	=====
Cash and cash equivalents consist of:				
Cash at bank and in hand			1,020	1,158
Bank deposit accounts			324,798	400,562
			-----	-----
			£325,818	£401,720
			=====	=====

The accompanying notes on pages 12 to 19 are an integral part of this statement of cash flows.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2023****1 Accounting policies**

The Charity's registered office is 12 Birdham Road, Donnington, Chichester, West Sussex, PO19 8TE. The Charity is a company limited by guarantee. The members of the Charity are the trustees named on page 4. In event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention, in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard 102, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Donnington House Care Home Limited constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in pounds sterling, which is the functional currency of the charity and have been rounded to the nearest £1.

Going concern

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. This expectation is based on a thorough review of the budgets and financial forecasts. The Charity has taken advantage of the various government and local authority support grants offered.

Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.2 Funds

General unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity.

Designated funds are funds which have been set aside at the discretion of the trustees for particular projects.

Restricted funds are funds to be used in accordance with specific restrictions imposed by the donors or which have been raised by the Charity for particular purposes.

All income and expenditure is shown in the Statement of Financial Activities (SoFA).

1.3 Restricted income

Donations and grants given for specific purposes are treated as restricted income.

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, the amount can be measured reliably and it is probable that the income will be received.

There were no material gifts in kind during the year and no amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

**NOTES TO THE ACCOUNTS continued
FOR THE YEAR ENDED 31 MAY 2023**

1.5. Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

All expenditure is accounted for on an accruals basis and is recognised when a liability is incurred. The cost headings comprise expenditure, including staff costs, directly attributable to each activity.

Costs of generating funds, if any, are those costs related to administering voluntary donations, investments and fundraising activities. Governance costs relate to the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements. Central overheads may be allocated on the basis of their use.

Resources expended include attributable VAT which cannot be recovered.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Freehold property	2% straight line on buildings
Equipment, fixtures and fittings	straight line over 4, 5 and 10 years

1.7 Investments

Investments are stated at fair value at the balance sheet date which, in the case of publicly traded investments is the stock market value. The SoFA includes the net gains and losses arising on revaluations and disposals throughout the period.

1.8 Employee benefits

The Charity has arranged a defined contribution pension scheme for all eligible employees. The assets of the scheme are held separately from those of the Charity. Pension costs charged in the SoFA represent the contributions payable by the Charity in the year.

1.9 Financial instruments

Financial instruments are recognised in the statements of financial activities when the Charity becomes a part to the contractual provisions of the instrument. Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS102.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective rate method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure.

FOR THE YEAR 31 MAY 2023

1.10 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. As such, the charity is exempt from Corporation Tax on its charitable activities and accordingly no corporation tax has been provided in these accounts.

2. **Critical judgements and estimates**

In preparing the accounts, the trustees make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Depreciation – the Charity accounts for depreciation in accordance with FRS102. The depreciation expense is the recognition of the decline in the value of the asset and allocation of the cost of the asset over the periods in which the asset will be used. Judgements are made on the estimated useful life of the assets which are regularly reviewed.

3. **Comparative Statement of Financial Activities**

All amounts included in the statement of financial activities for 2022 relate to unrestricted funds with the exception of grant expenditure of £10,400.

4. **Analysis of total funds expended**

	<u>Fund raising</u>	<u>Investment</u>	<u>Charitable activity</u>	<u>Governance</u>	<u>Total</u>
Staff costs	-	-	1,437,690	-	1,437,690
Other costs	-	3,118	342,185	13,682	358,985
Depreciation	-	-	25,314	-	25,314
	-----	-----	-----	-----	-----
	-	3,118	1,805,189	13,682	1,821,989
	-----	-----	-----	-----	-----

NOTES TO THE ACCOUNTS continued
FOR THE YEAR 31 MAY 2023

5. Net incoming resources for the period

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
This is stated after charging:		
Depreciation on tangible fixed assets	25,314	25,570
Operating lease rentals	20,718	25,774
Auditors' remuneration - Audit	7,450	7,150
- Other services	6,232	4,565
	<u>=====</u>	<u>=====</u>

6. Cash generated from operations

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Reconciliation of operating surplus to net cash inflow / (outflow) from operating activities:		
Operating (deficit) / surplus for the year	(55,388)	146,624
Depreciation of tangible assets	25,314	25,570
Increase in debtors	(22,689)	(151,087)
Decrease in creditors	(18,848)	(27,213)
	<u>-----</u>	<u>-----</u>
Net cash outflow from operating activities	<u>£(71,611)</u>	<u>£(6,106)</u>

7. Staff costs

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Particulars of employees are shown below:		
Employee costs during the year amounted to:		
Wages and salaries	1,283,328	1,242,378
Social security costs	106,578	91,107
Pension costs	15,838	22,970
Agency staff costs	31,946	32,596
	<u>-----</u>	<u>-----</u>
	<u>£1,437,690</u>	<u>£1,389,051</u>

	<u>2023</u>	<u>2022</u>
The average number of persons employed by the charity during the year, including part time posts, were:		
Household	15	14
Qualified nurses	13	13
Care staff	32	33
Administration and management	3	3
	<u>-----</u>	<u>-----</u>
	<u>63</u>	<u>63</u>

The trustees do not receive remuneration for their services to the Charity. No travel or other expenses were incurred or reimbursed relating to the trustees during the year.

NOTES TO THE ACCOUNTS continued
FOR THE YEAR ENDED 31 MAY 2023

7. Staff costs (continued)

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

	<u>2023</u>	<u>2022</u>
£60,000 - £69,999	1	1
	==	==

8. Tangible fixed assets

The movement in the year was as follows:

	<u>Freehold Property</u>	<u>Equipment, Fixtures and Fittings</u>	<u>Total</u>
<u>Cost</u>			
At 1 June 2022	949,381	253,236	1,202,617
Additions	-	5,898	5,898
	-----	-----	-----
At 31 May 2023	949,381	259,134	1,208,515
	-----	-----	-----
<u>Depreciation</u>			
At 1 June 2022	245,973	195,674	441,647
Charge for the period	15,723	9,591	25,314
	-----	-----	-----
At 31 May 2023	261,696	205,265	466,961
	-----	-----	-----
<u>Net Book Value</u>			
At 31 May 2023	<u><u>£687,685</u></u>	<u><u>£53,869</u></u>	<u><u>£741,554</u></u>
	=====	=====	=====
<u>Net Book Value</u>			
At 31 May 2022	<u><u>£703,408</u></u>	<u><u>£57,562</u></u>	<u><u>£760,970</u></u>
	=====	=====	=====

The net book value at 31 May 2023 represented fixed assets used for direct charitable purposes.

In September 2019 the trustees obtained an independent professional reinstatement cost assessment of the Charity's freehold property for insurance purposes of £4,520,000 by Marshall Clark Chartered Surveyors. Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses. The 'at cost' valuation, not the insurance valuation, is recognised within the financial statements

NOTES TO THE ACCOUNTS continued
FOR THE YEAR ENDED 31 MAY 2023

9. Investments - listed	<u>Market value</u>
Market value at 1 June 2022	329,785
Additions	254,754
Disposals	(257,252)
Realised and unrealised gains	13,813

Market value at 31 May 2023	<u>£341,100</u>

Market value includes portfolio cash of £851 (2022 - £1,007).

Significant investments (market value > 5% of total)

Vangaurd life strategy 80% equity Acc 335.7843 units	£86,195
Vanguard sustainable life 60-70% equity Acc 483.7367 units	£83,645
VT Tatton Blended Active Acc -U 66,715.5651 units	£83,508
SVS Cornelian Managed Growth D (ACC) 40,171 units	£81,860
	=====

10. Financial instruments

	<u>2023</u>	<u>2022</u>
Financial assets at amortised cost	£217,648 =====	£192,772 =====
Financial liabilities at amortised cost	£(144,258) =====	£(144,515) =====

11. Debtors: Amounts falling due within one year

	<u>2023</u>	<u>2022</u>
Residents' contributions due	217,648	192,772
Prepayments and accrued income	6,125	8,312
	-----	-----
	<u>£223,773</u>	<u>£201,084</u>

NOTES TO THE ACCOUNTS continued
FOR THE YEAR ENDED 31 MAY 2023

12. Creditors: Amounts falling due within one year

	<u>2023</u>	<u>2022</u>
Trade creditors	65,710	62,513
Taxation and social security	5,780	24,371
Accruals	78,548	82,002
	-----	-----
	£150,038	£168,886
	=====	=====

13. Called up share capital

The company is limited by guarantee, and as such has no issued share capital.

In the event of the company being dissolved, all the members of the company, and those that were members within the last twelve months, have promised to contribute a sum not exceeding £1 as may be demanded of them towards the payment of the debts and liabilities of the Charity.

14. Funds

	<u>Balance</u> <u>01.06.22</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>Balance</u> <u>31.05.23</u>
Unrestricted					
Designated funds	7,311	-	-	-	7,311
General funds	1,180,462	1,779,523	(1,811,589)	-	1,148,396
	-----	-----	-----	-----	-----
Total unrestricted funds	1,187,773	1,779,523	(1,811,589)	-	1,155,707
Restricted funds					
Building fund	329,400	-	(9,150)	-	320,250
National lottery grant	7,500	-	(1,250)	-	6,250
	-----	-----	-----	-----	-----
	336,900	-	(10,400)	-	326,500
	-----	-----	-----	-----	-----
Total funds	£1,524,673	£1,779,523	£(1,821,989)	£-	£1,482,207
	=====	=====	=====	=====	=====

Designated funds relate to donations which have been earmarked for specific projects and events. The restricted building fund relates to donations received and expenditure regarding the extension, redevelopment and refurbishment work undertaken at the care home. The National lottery grant relates to the provision of an engaging sensory environment for residents.

NOTES TO THE ACCOUNTS continued
FOR THE YEAR ENDED 31 MAY 2023

15. Analysis of net assets between funds

As at 31 May 2023	Unrestricted Funds	Restricted Funds	Total Funds
Tangible fixed assets	420,054	321,500	741,554
Investments	341,100	-	341,100
Other current assets	544,591	5,000	549,591
Current liabilities	(150,038)	-	(150,038)
Total net assets	£1,155,707	£326,500	£1,482,207

16. Financial Commitments

At 31 May 2023 the Charity had total commitments under non-cancellable operating leases as follows:

	Other 2023 £	Other 2022 £
Payable:		
Within one year	25,598	26,875
	=====	=====
Two to five years	38,161	62,622
	=====	=====
In over five years	460	944
	=====	=====

17. Related party transactions

During the year the Charity received donations totalling £27,000 (2022: £17,000) from the Bassil Shippam and Alsford Trust. J H S Shippam is also a trustee of this trust. During the year the Charity also received a donation of £5,000 (2022: £nil) from J H S Shippam.

18. Control relationship

The Charity is controlled by the Board of Trustees.

DONNINGTON HOUSE CARE HOME LIMITED**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2023**

	<u>2023</u>	<u>2022</u>
Incoming resources		
Contributions from residents	1,700,462	1,794,593
Interest received	1,630	74
Dividends and interest on investments	597	1,074
Grant and donations	63,021	61,144
	-----	-----
	1,765,710	1,856,885
	-----	-----
Resources expended		
Provisions	62,897	50,733
Staff training and recruitment	28,296	5,879
Salaries, wages and national insurance contributions	1,405,744	1,356,455
Agency costs	31,946	32,596
Rates and water	5,949	10,293
Insurance	11,725	8,688
Light and heat	38,236	38,457
Repairs to property	5,976	3,744
Repairs and renewals of equipment	86,812	71,009
Sundry household expenditure	77,262	70,727
Printing, stationery, postage, advertising, telephone and treasurer's expenses	14,329	14,393
Audit and accountancy	13,682	11,715
Legal and professional fees	9,433	7,818
Bank charges	1,270	1,036
Depreciation	25,314	25,570
Investment management fees	3,118	4,050
	-----	-----
	1,821,989	1,713,163
	-----	-----
Net operating (deficit) / income	(56,279)	143,722
 Realised gains on listed investments	 9,508	 -
 Unrealised gains / (losses) on listed investments	 4,305	 (32,180)
	-----	-----
Retained (deficit) / surplus for the year	<u><u>£(42,466)</u></u>	<u><u>£111,542</u></u>

DONNINGTON HOUSE CARE HOME LIMITED

England & Wales - Charity number 1098508

Accounts

Registered Company No: 04693798 (England & Wales)
Charity No: 1098508

DONNINGTON HOUSE CARE HOME LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

DONNINGTON HOUSE CARE HOME LIMITED INFORMATION

Constitution

The organisation is a charitable company limited by guarantee, incorporated on 11 March 2003 and registered as a Charity on 11 July 2003. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association.

Objects of the Charity

The object of the Charity is to provide residential accommodation and associated amenities for persons in need of nursing or other care and with a connection to Chichester or the surrounding area whether by way of birth, family or other association.

Directorate

J H S Shippam (Chairman)
J N Evershed-Martin
V B Bevis
Dr G Tamlyn
A Hutchings
J P Christopher
Mrs N Turner
J C Evershed-Martin

Company Secretary

Mrs N Turner

Matron/Manager

J Kewell

Business Manager

S Lafferty

Bankers

National Westminster Bank plc
5 East Street
Chichester
West Sussex
PO19 1HH

Auditors

Moore (South) LLP
City Gates
2-4 Southgate
Chichester
West Sussex
PO19 8DJ

Solicitors

Irwin Mitchell
Thomas Eggar House
Friary Lane
Chichester
West Sussex
PO19 1UF

Registered Office

12 Birdham Road
Donnington
Chichester
West Sussex
PO19 8TE

DONNINGTON HOUSE CARE HOME LIMITED

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**TRUSTEES' AND DIRECTORS' ANNUAL REPORT AND STRATEGIC REPORT
FOR THE YEAR ENDED 31 MAY 2021**

The trustees, who are also directors of the company, present their annual report on its affairs together with the financial statements and auditors' report for the year ended 31 May 2021.

Structure, Governance and Management

Objects of the Charity

The object of the Charity is to provide residential accommodation and associated amenities for persons in need of nursing or other care and with a connection to Chichester or the surrounding area whether by way of birth, family or other association.

The organisation is a charitable company limited by guarantee, incorporated on 11 March 2003 and registered as a charity on 11 July 2003. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association.

The company is registered in England and Wales with the registered number 04693798.

The Charity is registered with the Charity Commission with the registered number 1098508.

Organisation

The Charity is controlled by the Board of Directors, who are also the trustees.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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;
- 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 Charity will continue in business

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

**TRUSTEES' AND DIRECTORS' ANNUAL REPORT AND STRATEGIC REPORT continued
FOR THE YEAR ENDED 31 MAY 2021****Principal activities, achievements and business review**

The principal activity of the Charity continued to be that of the provision of residential accommodation for persons in need of nursing or other care, associated to the Chichester area and in this context the Trustees have taken into consideration the charity's aims in respect of Public Benefit.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Management attend a Managers Forum quarterly that provides valuable information regarding legislation and it shares best practice among all local Home managers.

Senior management are very aware of monitoring staff costs and keeping within budget, using our own staff as much as possible in preference to agency which have not been used during this year. Our Deputy Matron will be responsible for proactively applying for any, and all, benefits we are entitled to.

The trustees continue to appreciate the hard work of the entire staff and the high standard of care that they give our residents particularly during the pandemic.

Covid-19 has continued to significantly impact the practices within Donnington House. We have had periods of closure but are now open for visitors and we have continued to keep some rooms available for testing and staff changing. It has also changed daily working and added a lot of time to tasks usually completed with ease. Going forward to 21-22 we continue to be open to visitors (when guidelines allow). This does however still include significantly more work due to test checks, sanitizing and escorting. Throughout 20-21 we had at least two, and up to six, rooms vacant for Covid reasons and this continued into 21-22, but from November 21 all but two rooms are occupied with a plan to occupy one of these as soon as possible (leaving just one room vacant for Covid reasons). We have been given further infection control grants totalling £56,500 by West Sussex County Council to be used to cover extra salary costs incurred and PPE costs and we anticipate further payments from the same source, for the same reason. Further grant information is not yet available.

We have had no deaths from covid-19. PPE and infection control has been a huge priority and at times staff even wore pajamas to care for residents as there were no gowns available. Extra cleaning such as hourly wiping of door handles continues to take up much time as does all the additional paper work and reporting.

We remain grateful to the Bassil Shippam & Alsford Trust and the F G Woodger Trust for their continued support of the Charity.

Fixed assets

Tangible fixed assets are all held for use by the Charity. The buildings were last valued in September 2019 by Marshall Clark, Chartered Surveyors, for insurance reinstatement purposes, at £4,520,000.

**TRUSTEES' AND DIRECTORS' ANNUAL REPORT AND STRATEGIC REPORT continued
FOR THE YEAR ENDED 31 MAY 2021****Risk management**

The trustees examine the major risks that the charity faces each year when preparing and updating the strategic plan, or more frequently as circumstances arise. The charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the home in the future.

A comprehensive risk register measures the extent of each risk and its likely impact on the charity's business. In relation to finance, the charity recognises that as 99% of its income, excluding grants and donations, is derived from residents' contributions, any significant reduction in residents represents a significant financial risk. The charity seeks to mitigate this by prudent budgeting and by ensuring that it retains sufficient reserves to meet unexpected annual deficits.

The charity also recognises the risks of a negative report from the Care Quality Commission and/or Health & Safety. The charity seeks to mitigate this by robust quality management procedures and regular staff training.

Trustee Training

The present Trustees have a wealth of experience and are fortunate in that they have access to professional advice, which keeps them abreast of developments which may affect the Charity. Board representation includes members with previous business experience as well as experienced legal, and architectural professionals. A local GP acts as an advisor to the Home and attends board meetings whenever possible.

Investment policy and performance

The trustees have the power to invest in such assets as they see fit.

The Charity sometimes needs to react very quickly to particular emergencies and has a policy of keeping enough working capital in short-term deposits which can be accessed readily. Any further funds are invested by the Charity's investment managers to whom day to day management of investments has been delegated by the directors.

The Trustees continue to keep under review the investment strategy.

Future

The Charity remains in a sound financial state as a result of setting a realistic budget target for the home's operations. However concerns still remain that statutory funding caps and cutbacks will have a detrimental impact on our ability to maintain and build upon our reserves and the Trustees continue to look at other possible sources of funding from benefactors and other trusts, with a view to mitigating the long term effects. The charity has chosen to use the current building and facilities to their full potential rather than develop them further.

Financial Review

The directors report a surplus of £82,168 for the year ended 31 May 2021. The balance sheet value of the Charity's net assets at 31 May 2021 was £1,413,131. This improvement was largely due to grants received and the recovery in value of the Charity's investments.

**TRUSTEES' AND DIRECTORS' ANNUAL REPORT AND STRATEGIC REPORT continued
FOR THE YEAR ENDED 31 MAY 2021****Reserves**

As outlined above the principal activity of the Charity is to provide residential accommodation and associated amenities for persons in need of nursing or other care, with a connection to Chichester. The Charity's main sources of income are of an ongoing and recurring nature and are derived from contributions from residents and or funding received on their behalf from Social and Caring Services and Clinical Commissioning Groups.

In assessing the free reserves of the Charity, which are those funds not tied up in fixed assets, and restricted funds, the Board reviewed this constant flow of income and have taken the view that free reserves should be established at a level equivalent to six months operating costs. This is to cover premises, administrative and support costs to satisfy the requirement to provide residential facilities. The home has achieved an increase in free reserves and currently they stand at just over four months; the aim continues to be to reach a figure closer to the recommended level of six months, and the Trustees strategy continues to achieve this.

Public Benefit

The Charity's area of benefit places a geographical restriction which limits the acceptance of residents to those who live or have strong family ties to the area of Chichester and District.

The home was established in 1952 with the ethos of giving help to the less well-off elderly and continues to make its accommodation available to such individuals, subject to demand. Welfare changes mean that today, the less well-off will be funded by the relevant statutory bodies, provided they meet their financial criteria, and will be assessed by them prior to placement in the care environment. Owing to the capping of Social Services rates paid to care homes, none of the rates charged for our rooms now fall within the funding rates paid by West Sussex County Council – the relevant local authority. However the Trustees will continue to exercise their discretion in respect of admissions, where the local authority will be funding the care, to ensure that the home continues to observe its charitable aims and, provided their care needs can be met no person is refused care because of any inability to meet our charges in full.

The home is restricted by the statutory regulatory body (the Care Quality Commission) with regard to the minimum age of its residents and certain care needs cannot be met under the terms of our registration. In all other respects the Charity does not discriminate on the grounds of gender, sexual orientation or ethnic origin.

Governance

Directors are appointed by the members in general meeting, except where an appointment is made to fill a casual vacancy, in which case the directors can appoint a new director to hold office until the next Annual General Meeting.

The directors who served during the period are shown below:

J H S Shippam (Chairman)

J N Evershed-Martin

V B Bevis

A E Bareham (Resigned 10 December 2021)

T Hembling (Resigned 23 November 2020)

Dr G Tamlyn

A Hutchings

J P Christopher

J Solly (Resigned 31 October 2021)

D E Nicholls (Resigned 23 November 2020)

Mrs N Turner (Appointed 23 November 2020)

J C Evershed-Martin (Appointed 15 February 2021)

All of the Trustees give their time voluntarily and received no benefits from the Charity. No expenses were reimbursed to them during the year.

**TRUSTEES' AND DIRECTORS' ANNUAL REPORT continued
FOR THE YEAR ENDED 31 MAY 2021**

Auditors

The board will place a resolution before the Annual General Meeting for the re-appointment of Moore (South) LLP as auditors for the ensuing year.

Statement of disclosure to auditor

So far as the directors are aware:

- there is no relevant audit information of which the Charity's auditor is unaware; and
- the trustees have taken all the steps 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.

By Order of the Board.

.....
J H S Shippam
Director

Date: 30 March 2022

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF DONNINGTON HOUSE CARE HOME LIMITED****Opinion**

We have audited the financial statements of Donnington House Care Home Limited for the year ended 31 May 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS102, 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 May 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 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 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 audit 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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)**TO THE MEMBERS OF DONNINGTON HOUSE CARE HOME LIMITED continued****Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report for the financial year for which the accounts 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 the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities Statement set out on page 1, 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.

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

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

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit.

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF DONNINGTON HOUSE CARE HOME LIMITED continued

However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior experience and appropriate knowledge of the client and who had the required competence and skills in the not-for-profit sector to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud. Management override was identified as a significant fraud risk. This is due to the ability to bypass controls and accounting policies adopted.
- Revenue recognition was identified as a significant risk, specifically with regards to completeness of income.
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council. We considered how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding and assessed the impact and effect of COVID-19 on the operations of the charitable company and adapted our approach accordingly. We enquired and obtained evidence to support the going concern assumption and reviewed grants received, dovetailed with work undertaken on management override.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed transactions with related parties and in particular Trustees; and
- reviewed the disclosures within the financial statements to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of irregularities with regards to the completeness of income we:-

- performed analytical procedures to identify any unusual or unexpected relationships, along with comparison to budget;
- reconciled fee income in total compared to known occupancy and fee rates,
- tested a sample of grants and donations to supporting documentation confirming income was correctly accounted for; and
- reviewed income received around the year end, ensuring cut-off correctly applied.

INDEPENDENT AUDITORS' REPORT (CONTINUED)**TO THE MEMBERS OF DONNINGTON HOUSE CARE HOME LIMITED continued**

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

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

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.

A S Wulff (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP

19 April 2022
.....

Chartered Accountants
Statutory Auditor

City Gates
2-4 Southgate
Chichester
West Sussex
PO19 8DJ

Moore (South) LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 MAY 2021

	<u>Notes</u>	Unrest- ricted <u>Funds</u>	Restricted <u>Funds</u>	Total <u>2021</u>	Total <u>2020</u>
Income from:					
Voluntary Income:					
Donations		27,608	29,883	57,491	23,826
Grants		61,737	-	61,737	10,000
Investment income – dividends		820	-	820	1,011
Charitable activities:					
Contributions for residents fees		1,566,847	-	1,566,847	1,627,577
Other income		30	-	30	343
Total income		<u>1,657,042</u>	<u>29,883</u>	<u>1,686,925</u>	<u>1,662,757</u>
Expenditure on:					
Cost of generating funds:					
Investment management costs		3,042	-	3,042	3,160
Charitable activities:					
Premises		122,545	39,033	161,578	131,212
Support costs		1,439,968	-	1,439,968	1,462,032
Administration and management		57,447	1,250	58,697	50,607
Total expenditure	4	<u>1,623,002</u>	<u>40,283</u>	<u>1,663,285</u>	<u>1,647,011</u>
Net income / (expenditure)	5	34,040	(10,400)	23,640	15,746
Transfers between funds		-	-	-	-
Unrealised gains on investments		58,528	-	58,528	919
Net movement in funds - total comprehensive income		<u>92,568</u>	<u>(10,400)</u>	<u>82,168</u>	<u>16,665</u>
Funds brought forward		973,263	357,700	1,330,963	1,314,298
Funds carried forward	14	<u><u>£1,065,831</u></u>	<u><u>£347,300</u></u>	<u><u>£1,413,131</u></u>	<u><u>£1,330,963</u></u>

The statement of financial activities includes all gains or losses in the year. All incoming resources and resources expended derive from continuing activities.

The accompanying notes on pages 13 to 20 are an integral part of this statement of financial activities.

BALANCE SHEET
AS AT 31 MAY 2021

	<u>Note</u>	<u>2021</u>	<u>2020</u>
Fixed assets			
Tangible assets	8	781,831	801,087
Current assets			
Investments	9	364,941	308,635
Debtors	11	49,997	187,010
Cash at bank and in hand		412,461	154,813
		-----	-----
		827,399	650,458
Creditors			
Amounts falling due within one year	12	(196,099)	(120,582)
		-----	-----
Net current assets		631,300	529,876
		-----	-----
Total assets less current liabilities		£1,413,131	£1,330,963
		=====	=====
 Called up share capital	13	-	-
Unrestricted income funds			
General funds	14	1,065,831	973,263
Restricted funds	14	347,300	357,700
		-----	-----
Total funds		£1,413,131	£1,330,963
		=====	=====

Signed on behalf of the Board on: 30 March 2022

.....
J H S Shippam
 Director

The accompanying notes on pages 13 to 20 are an integral part of this balance sheet.

Company Registration No: 04693798

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2021

	<u>Notes</u>	<u>£</u>	2021 <u>£</u>	<u>£</u>	2020 <u>£</u>
Cash inflow / (outflow) from operating activities	6	264,635		(35,214)	
Cash flow from investing activities					
Interest received		30		343	
Dividends received		820		1,011	
Disposal of investments		2,222		2,149	
Investment management costs		(3,042)		(3,160)	
Payments to acquire tangible assets		(7,017)		(6,711)	
		-----		-----	
Net cash used in investing activities			(6,987)		(6,368)
			-----		-----
Net increase / (decrease) in cash and cash equivalents			257,648		(41,582)
Cash and cash equivalents at 1 June			154,813		196,395
			-----		-----
Cash and cash equivalents at 31 May			£412,461		£154,813
			=====		=====
Cash and cash equivalents consist of:					
Cash at bank and in hand			28,402		41,569
Bank deposit accounts			384,059		113,244
			-----		-----
			£412,461		£154,813
			=====		=====

The accompanying notes on pages 13 to 20 are an integral part of this statement of cash flows.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2021****1 Accounting policies**

The Charity's registered office is 12 Birdham Road, Donnington, Chichester, West Sussex, PO19 8TE. The Charity is a company limited by guarantee. The members of the Charity are the trustees named on page 4. In event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention, in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard 102, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Donnington House Care Home Limited constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in pounds sterling, which is the functional currency of the charity and have been rounded to the nearest £1.

Going concern

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. This expectation is based on a thorough review of the budgets and financial forecasts. The Charity has taken advantage of the various government and local authority support grants offered.

Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.2 Funds

General unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity.

Designated funds are funds which have been set aside at the discretion of the trustees for particular projects.

Restricted funds are funds to be used in accordance with specific restrictions imposed by the donors or which have been raised by the Charity for particular purposes.

All income and expenditure is shown in the Statement of Financial Activities (SoFA).

1.3 Restricted income

Donations and grants given for specific purposes are treated as restricted income.

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, the amount can be measured reliably and it is probable that the income will be received.

There were no material gifts in kind during the year and no amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

**NOTES TO THE ACCOUNTS continued
FOR THE YEAR ENDED 31 MAY 2021****1.5. Expenditure recognition**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

All expenditure is accounted for on an accruals basis and is recognised when a liability is incurred. The cost headings comprise expenditure, including staff costs, directly attributable to each activity.

Costs of generating funds, if any, are those costs related to administering voluntary donations, investments and fundraising activities. Governance costs relate to the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements. Central overheads may be allocated on the basis of their use.

Resources expended include attributable VAT which cannot be recovered.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Freehold property	2% straight line on buildings
Equipment, fixtures and fittings	straight line over 4, 5 and 10 years

1.7 Investments

Investments are stated at fair value at the balance sheet date which, in the case of publicly traded investments is the stock market value. The SoFA includes the net gains and losses arising on revaluations and disposals throughout the period.

1.8 Employee benefits

The Charity has arranged a defined contribution pension scheme for all eligible employees. The assets of the scheme are held separately from those of the Charity. Pension costs charged in the SoFA represent the contributions payable by the Charity in the year.

1.9 Financial instruments

Financial instruments are recognised in the statements of financial activities when the Charity becomes a part to the contractual provisions of the instrument. Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS102.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective rate method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure.

1.10 Cash flow statement

Under the provisions of FRS102 the company has not prepared a cash flow statement because it is entitled to the exemptions available for small companies.

**NOTES TO THE ACCOUNTS continued
FOR THE YEAR 31 MAY 2021**

1.11 Taxation

No corporation tax has been provided in these accounts because the income of the Charity is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

2. Critical judgements and estimates

In preparing the accounts, the trustees make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Depreciation – the Charity accounts for depreciation in accordance with FRS102. The depreciation expense is the recognition of the decline in the value of the asset and allocation of the cost of the asset over the periods in which the asset will be used. Judgements are made on the estimated useful life of the assets which are regularly reviewed.

3. Comparative Statement of Financial Activities

All amounts included in the statement of financial activities for 2020 relate to unrestricted funds with the exception of grant income of £10,000 and recurring annual costs of £9,150 allocated to the restricted building fund.

4. Analysis of total funds expended

	<u>Fund raising</u>	<u>Investment</u>	<u>Charitable activity</u>	<u>Governance</u>	<u>Total</u>
Staff costs	-	-	1,312,077	-	1,312,077
Other costs	-	3,042	312,022	9,871	324,935
Depreciation	-	-	26,273	-	26,273
	-----	-----	-----	-----	-----
	-	3,042	1,650,372	9,871	1,663,285
	-----	-----	-----	-----	-----

NOTES TO THE ACCOUNTS continued
FOR THE YEAR 31 MAY 2021

5. Net incoming resources for the period

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
This is stated after charging:		
Depreciation on tangible fixed assets	26,273	25,565
Operating lease rentals		17,877
Auditors' remuneration - Audit	6,600	6,600
- Other services	3,271	3,847
	<u>=====</u>	<u>=====</u>

6. Statement of cash flows

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Reconciliation of operating surplus to net cash inflow from operating activities		
Net incoming resources	84,360	18,471
Depreciation of tangible assets	26,273	25,565
Unrealised gain on investments	(58,528)	(919)
(Increase)/decrease in debtors	137,013	(58,194)
(Decrease)/increase in creditors	75,517	(20,137)
	<u>-----</u>	<u>-----</u>
Net cash inflows / (outflows) from operating activities	<u>£264,635</u>	<u>£(35,214)</u>

7. Staff costs

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Particulars of employees are shown below:		
Employee costs during the year amounted to:		
Wages, salaries and pensions	1,194,057	1,211,036
Social security costs	94,428	91,060
Pension costs	23,592	22,100
Agency staff costs	-	5,709
	<u>-----</u>	<u>-----</u>
	<u>£1,312,077</u>	<u>£1,329,905</u>

	<u>2021</u>	<u>2020</u>
The average number of persons employed by the charity during the year, including part time posts, was:		
Household	14	14
Qualified nurses	13	13
Care staff	34	32
Administration and management	3	3
	<u>-----</u>	<u>-----</u>
	<u>64</u>	<u>62</u>

The trustees do not receive remuneration for their services to the Charity. No travel or other expenses were incurred or reimbursed relating to the trustees during the year. No employee earned more than £60,000 per annum.

NOTES TO THE ACCOUNTS continued
FOR THE YEAR ENDED 31 MAY 2021

8. Tangible fixed assets

The movement in the year was as follows:

	<u>Freehold Property</u>	<u>Equipment, Fixtures and Fittings</u>	<u>Total</u>
<u>Cost</u>			
At 1 June 2020	949,381	241,510	1,190,891
Additions	-	7,017	7,017
	-----	-----	-----
At 31 May 2021	949,381	248,527	1,197,908
	-----	-----	-----
<u>Depreciation</u>			
At 1 June 2020	214,535	175,269	389,804
Charge for the period	15,721	10,552	26,273
	-----	-----	-----
At 31 May 2021	230,256	185,821	416,077
	-----	-----	-----
<u>Net Book Value</u>			
At 31 May 2021	<u>£719,125</u>	<u>£62,706</u>	<u>£781,831</u>
<u>Net Book Value</u>			
At 31 May 2020	<u>£734,846</u>	<u>£66,241</u>	<u>£801,087</u>
	=====	=====	=====

The net book value at 31 May 2021 represented fixed assets used for direct charitable purposes.

In September 2019 the trustees obtained an independent professional reinstatement cost assessment of the Charity's freehold property for insurance purposes of £4,520,000 by Marshall Clark Chartered Surveyors.

NOTES TO THE ACCOUNTS continued
FOR THE YEAR ENDED 31 MAY 2021

	<u>Market value</u>
9. Investments - listed	
Market value at 1 June 2020	308,635
Additions	-
Disposals	(2,222)
Realised and unrealised gains	58,528

Market value at 31 May 2021	<u>£364,941</u>

Market value includes portfolio cash of £nil (2020 - £nil).

Significant investments (market value > 5% of total)

ASI Strategic Bond Fund I (ACC) 22,656 units	41,380
Blackrock UK Fund S GBP (ACC) 11,580 units	20,335
M+G North American Dividend Fund Sterling I (INC) 831 units	27,077
Merian UK Mid Cap Fund U1 GBP (ACC) 12,487 units	26,735
Schroder US Smaller Companies Fund Z GBP (ACC) 14,415 units	25,039
SVS Cornelian Managed Growth D (ACC) 37,817 units	80,814
MI Twentyfour AM Dynamic Bond Fund I Shares (ACC) 127 units	23,857
	=====

10. Financial instruments

	<u>2021</u>	<u>2020</u>
Financial assets at amortised cost	407,732	482,296
Financial liabilities at amortised cost	(175,128)	(95,710)
	-----	-----
	<u>£232,604</u>	<u>£386,586</u>
	=====	=====

Financial assets comprise investments, trade debtors and accrued income.
 Financial liabilities comprise trade creditors and accruals.

NOTES TO THE ACCOUNTS continued
FOR THE YEAR ENDED 31 MAY 2021

11. Debtors: Amounts falling due within one year

	<u>2021</u>	<u>2020</u>
Residents' contributions due	42,791	173,661
Prepayments and accrued income	7,206	13,349
	-----	-----
	£49,997	£187,010
	=====	=====

12. Creditors: Amounts falling due within one year

	<u>2021</u>	<u>2020</u>
Trade creditors	99,762	26,710
Taxation and social security	20,971	24,872
Accruals	75,366	69,000
	-----	-----
	£196,099	£120,582
	=====	=====

13. Called up share capital

The company is limited by guarantee, and as such has no issued share capital.

In the event of the company being dissolved, all the members of the company, and those that were members within the last twelve months, have promised to contribute a sum not exceeding £1 as may be demanded of them towards the payment of the debts and liabilities of the Charity.

14. Funds

	<u>Balance</u> <u>01.06.20</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>Balance</u> <u>31.05.21</u>
Unrestricted					
Designated funds	7,311	-	-	-	7,311
General funds	965,952	1,715,570	(1,623,002)	-	1,058,520
	-----	-----	-----	-----	-----
Total unrestricted funds	973,263	1,715,570	(1,623,002)	-	1,065,831
Restricted funds					
Building fund	347,700	-	(9,150)	-	338,550
National lottery grant	10,000	-	(1,250)	-	8,750
Lift refurbishment fund		29,883	(29,883)	-	-
	-----	-----	-----	-----	-----
	357,700	29,883	(40,283)	-	347,300
	-----	-----	-----	-----	-----
Total funds	£1,330,963	£1,745,453	£(1,663,285)	£-	£1,413,131
	=====	=====	=====	=====	=====

Designated funds relate to donations which have been earmarked for specific projects and events. The restricted building fund relates to donations received and expenditure regarding the extension, redevelopment and refurbishment work undertaken at the care home. The National lottery grant relates to the provision of an engaging sensory environment for residents. The lift refurbishment fund relates to a specific donation for that purpose.

NOTES TO THE ACCOUNTS continued
FOR THE YEAR ENDED 31 MAY 2021

15. Analysis of net assets between funds

As at 31 May 2021	Unrestricted Funds	Restricted Funds	Total Funds
Tangible fixed assets	439,531	342,300	781,831
Investments	364,941	-	364,941
Other current assets	457,458	5,000	462,458
Current liabilities	(196,099)	-	(196,099)
Total net assets	£1,065,831	£347,300	£1,413,131

16. Financial Commitments

At 31 May 2021 the Charity had total commitments under non-cancellable operating leases as follows:

	Other 2021 £	Other 2020 £
Payable:		
Within one year	21,473	19,137
	=====	=====
Two to five years	62,075	60,648
	=====	=====
In over five years	3,127	6,500
	=====	=====

17. Related party transactions

During the year the Charity received donations of £15,000 (2020: £15,000) from the Bassil Shippam and Alsford Trust. J H S Shippam is also a trustee of this trust.

18. Control relationship

The Charity is controlled by the Board of Trustees.