

**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**

## **CONTENTS**

	<u>Pages</u>
Trustees' annual report and strategic report	1 - 4
Report of the independent Auditors	5 - 8
Statement of financial activities (including Income and expenditure account)	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 19

**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.

.....

**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](http://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**

.....

**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>
<b>Income from:</b>					
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
		-----	-----	-----	-----
<b>Total income</b>		<b>1,765,710</b>	<b>-</b>	<b>1,765,710</b>	<b>1,856,885</b>
		-----	-----	-----	-----
<b>Expenditure on:</b>					
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
		-----	-----	-----	-----
<b>Total expenditure</b>	4	<b>1,811,589</b>	<b>10,400</b>	<b>1,821,989</b>	<b>1,713,163</b>
		-----	-----	-----	-----
<b>Net income / (expenditure)</b>	5	<b>(45,879)</b>	<b>(10,400)</b>	<b>(56,279)</b>	<b>143,722</b>
Transfers between funds		-	-	-	-
Realised gains on investments		9,508	-	9,508	-
Unrealised gains / (losses) on investments		4,305	-	4,305	(32,180)
		-----	-----	-----	-----
<b>Net movement in funds - total comprehensive income</b>		<b>(32,066)</b>	<b>(10,400)</b>	<b>(42,466)</b>	<b>111,542</b>
Funds brought forward		1,187,773	336,900	1,524,673	1,413,131
		-----	-----	-----	-----
<b>Funds carried forward</b>	14	<b>£1,155,707</b>	<b>£326,500</b>	<b>£1,482,207</b>	<b>£1,524,673</b>
		=====	=====	=====	=====

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>
<b>Fixed assets</b>			
Tangible assets	8	741,554	760,970
<b>Current assets</b>			
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
<b>Creditors</b>			
Amounts falling due within one year	12	(150,038)	(168,886)
		-----	-----
<b>Net current assets</b>		740,653	763,703
		-----	-----
<b>Total assets less current liabilities</b>		<b>£1,482,207</b>	<b>£1,524,673</b>
		=====	=====
 Called up share capital	13	-	-
<b>Unrestricted income funds</b>			
General funds	14	1,155,707	1,187,773
<b>Restricted funds</b>	14	326,500	336,900
		-----	-----
<b>Total funds</b>		<b>£1,482,207</b>	<b>£1,524,673</b>
		=====	=====

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

.....

**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>	<u>£</u>	2022 <u>£</u>
<b>Cash outflow from operating activities</b>	6		(71,611)		(6,106)
<b>Cash flow from investing activities</b>					
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)	
		-----		-----	
<b>Net cash used in investing activities</b>			(4,291)		(4,635)
			-----		-----
<b>Net decrease in cash and cash equivalents</b>			(75,902)		(10,741)
Cash and cash equivalents at 1 June			401,720		412,461
			-----		-----
Cash and cash equivalents at 31 May			<b>£325,818</b>		<b>£401,720</b>
			=====		=====
<b>Cash and cash equivalents consist of:</b>					
Cash at bank and in hand			1,020		1,158
Bank deposit accounts			324,798		400,562
			-----		-----
			<b>£325,818</b>		<b>£401,720</b>
			=====		=====

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><b>2023</b></u>	<u><b>2022</b></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><b>2023</b></u>	<u><b>2022</b></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><b>£(71,611)</b></u>	<u><b>£(6,106)</b></u>

**7. Staff costs**

	<u><b>2023</b></u>	<u><b>2022</b></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><b>£1,437,690</b></u>	<u><b>£1,389,051</b></u>

The average number of persons employed by the charity during the year, including part time posts, were:

	<u><b>2023</b></u>	<u><b>2022</b></u>
Household	15	14
Qualified nurses	13	13
Care staff	32	33
Administration and management	3	3
	<u>-----</u>	<u>-----</u>
	<u><b>63</b></u>	<u><b>63</b></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>£687,685</u>	<u>£53,869</u>	<u>£741,554</u>
	=====	=====	=====
<u>Net Book Value</u>			
At 31 May 2022	<u>£703,408</u>	<u>£57,562</u>	<u>£760,970</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**

<b>9. Investments - listed</b>	<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	<b><u>£341,100</u></b>

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
	-----	-----
	<b><u>£223,773</u></b>	<b><u>£201,084</u></b>

**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
	-----	-----
	<b>£150,038</b>	<b>£168,886</b>
	=====	=====

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

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)
<b>Total net assets</b>	<b>£1,155,707</b>	<b>£326,500</b>	<b>£1,482,207</b>

**16. Financial Commitments**

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

	<b>Other 2023 £</b>	<b>Other 2022 £</b>
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>
<b>Incoming resources</b>		
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 -----
<b>Resources expended</b>		
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 -----
<b>Net operating (deficit) / income</b>	(56,279)	143,722
Realised gains on listed investments	9,508	-
Unrealised gains / (losses) on listed investments	4,305	(32,180)
<b>Retained (deficit) / surplus for the year</b>	----- <b>£(42,466)</b> =====	----- <b>£111,542</b> =====