

**CASTEL FROMA NEURO CARE LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

**CHARITY NUMBER 1100965**

**COMPANY NUMBER 04777559**

**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

**Contents**

	<b>Page</b>
Chair's report	1
Trustees' annual report	2-9
Auditors' report	10-12
Statement of financial activities	13
Balance sheet	14
Statement of cashflows	15-16
Notes to the financial statements	17-27

**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**CHAIR'S REPORT**

Castel Froma Neuro Care Limited is a charitable company limited by guarantee operating two care centres in South Warwickshire, Lillington House and Helen Ley House. From these two locations the charity provided quality treatment, rehabilitation and therapeutic facilities for people with complex conditions ranging from brain injuries to multiple sclerosis, motor neurone, Parkinson's and Huntington's diseases.

Providing care at the level our residents need is expensive. We achieved an income in the financial year 2024-25 of £9 million, predominantly from fees paid by the NHS and other public sector and private sources. This sum also includes donations and legacies of more than £90,000.

The healthcare sector in the UK remains under considerable financial pressure. Ensuring our residents remain appropriately funded is an ongoing challenge at a time when we face considerable rising operating costs. The lag in fee increases to reflect increased costs led to a deficit for the year of more than £590,000. The trustees and management are determined to stem operating at a deficit. We are pursuing a strategy of working towards realistic fee levels whilst also ensuring that costs are actively managed.

The year was very busy, and focussed on achieving our goal of continuing to provide a relevant and essential service. In August 2024 we began a review of our services to ensure that our provision aligns to resident needs and funder expectations, details of which can be found on our website: <https://castelfroma.org.uk/castel-froma-neuro-care-reviews-facilities-to-focus-on-restoration-prevention-and-quality-of-life/>.

In January 2025 The Care Quality Commission gave approval for the charity to start using a newly completed extension at Helen Ley House comprising of eight new rooms, all with ensuite facilities. The review and creation of more capacity at Helen Ley House combined, enabled the Trustees to make the decision in February 2025 to sell an ageing part the Lillington House site that is costly to maintain and outdated for our needs.

Castel Froma Neuro Care Limited anticipates that the sale will help the charity to generate funds to launch new services, with a new 'community hub' in retained grounds at the Lillington House site, where patients living with neurological conditions and brain injuries in the community can more easily access services. Further details can be found on the charity's website: <https://castelfroma.org.uk/midlands-health-charity-to-develop-exciting-new-community-space/>.

The work of the charity is only made possible by the efforts and goodwill of the staff and also many individuals who give their time freely in many different ways to offer support. This is very much appreciated. Finally, I wish to thank my fellow trustees for their continued dedication and support of Castel Froma Neuro Care Limited.



===== F7596035-DADA-32A5-1AD4-8BDE4286310C =====

Caroline Wilson  
Chair of Trustees  
23 December 2025

**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**TRUSTEES' ANNUAL REPORT (Including Directors' and Strategic Report)**

**FOR THE YEAR ENDED 31 MARCH 2025**

The trustees are pleased to present their annual report together with the audited financial statements of the charity for the year ended 31 March 2025, which are also prepared to meet the requirements for the strategic and directors' report and accounts for Companies Act purposes. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

On 1 April 2011 Castel Froma (as the charity was then known) merged with Royal Midland Counties Home for the Disabled, a charity under common control. Royal Midland Counties Home for the Disabled remains a separate charity, placed under a Uniting Direction with Castel Froma. On 1 April 2011 the expendable assets of Royal Midland Counties Home for the Disabled were transferred to Castel Froma and the permanent endowment was placed under the protection of the Trustees of Castel Froma. The following financial statements report the combined performance and financial position of Castel Froma and Royal Midland Counties Home for the Disabled.

**Reference and administrative information**

Castel Froma Neuro Care Limited:-

Registered charity number	1100965
Registered company number	04777559

Country of incorporation	England
--------------------------	---------

Royal Midland Counties Home for the

Disabled registered charity number (Linked charity)	1100965-1
--	-----------

Registered office	93 Lillington Road Leamington Spa Warwickshire CV32 6LL
Auditors	HB&O Ltd Chartered Accountants and Statutory Auditor Highdown House, 11 Highdown Road Leamington Spa CV31 1XT

Bankers	Lloyds Bank 73 The Parade Leamington Spa CV32 4BB
---------	--

Solicitors	HCR Wright Hassall LLP Olympus Avenue Leamington Spa CV34 6BF
	HCR Legal LLP Ellenborough House Wellington Street Cheltenham GL50 1YD

**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**TRUSTEES' ANNUAL REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**Directors and trustees and officials**

President	12 <sup>th</sup> Earl of Aylesford
Patron	Mr T Cox, Her Majesty's Lord Lieutenant of Warwickshire
Vice-President	Mrs D Dowdeswell OBE
Trustees	Dr C Wilson (Chair) Mr G Murrell (Vice-Chair) Mr S J Nicklin Mrs L Holiday Mr D Leigh-Hunt Dr D Stableforth Mr J Evison Dr S K Seeley (appointed 8 April 2024) Ms S J Heales (appointed 8 October 2024)
Ex-Officio	The Chairman of Warwick District Council His Worship the Mayor of Royal Leamington Spa
Senior Management Team	Mrs M Bawden (Chief Executive & Nominated individual) Mrs E Jackson (Deputy Chief Executive) Mr A Albu (Registered Manager, Lillington House and Helen Ley House) Miss N Fyfe (Clinical Services Manager) Ms K Gates (Clinical Quality Improvement Manager)
Company Secretary	Mrs M Bawden
Care Standards Committee	Mrs L Holiday (Chair 1 April – 8 October 2024) Dr S K Seeley (Chair 8 October 2024 onwards) Dr C Wilson Mr G Murrell Mr S J Nicklin Mr D Leigh-Hunt (resigned 1 July 2024) Dr D Stableforth Mr J Evison Mrs S J Heales
Finance, Assets & Risk Committee (including profiling & fundraising)	Mr G Murrell (Chair) Dr C Wilson Mr S J Nicklin Mrs L Holiday Mr D Leigh-Hunt Dr D Stableforth Mr J Evison Dr S K Seeley Ms S J Heales
Remuneration Committee	Mr D Leigh-Hunt (Chair 1 April – 1 July 2024) Mr J Evison (Chair 1 July 2024 onwards) Dr C Wilson Mrs L Holiday (resigned 1 July 2024) Dr S K Seeley (appointed 1 July 2024) Mr S Nicklin Mr G Murrell

**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**TRUSTEES' ANNUAL REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**OBJECTIVES AND ACTIVITIES**

**Mission Statement**

***Day, respite and long-term residential care with 24-hour nursing care for those with neurological conditions***

We run outstanding care and rehabilitation centres providing day, respite and long-term services for people disabled by neurological conditions.

**Business Aims**

- To provide the highest standard of nursing and care for individuals with neurological conditions who have complex needs;
- To bring together experts from every therapeutic field to help our residents live as full a life as possible;
- To integrate family, friends and the local community into the lives of our residents and provide a supportive environment for their carers;
- To excel in palliative and end of life care to help our residents live their last days as they would wish, free from pain and with as much dignity as possible;
- To extend our care beyond our centres, into the local community and onto a regional and national level;
- To operate within a financially and environmentally sustainable framework.

**Principal activities**

The principal activity of Castel Froma Neuro Care Limited is the provision of care and accommodation for severely physically disabled people. To achieve this objective the charity operates two registered care centres based at the following addresses:-

Lillington House  
93 Lillington Road  
Leamington Spa  
Warwickshire  
CV32 6LL

The Helen Ley Care Centre  
Bericote Road  
Blackdown  
Leamington Spa  
Warwickshire  
CV32 6QP

The centres provide 24-hour nursing care, in addition to physiotherapy, occupational therapy, hydrotherapy, speech and language therapy, aromatherapy and reflexology.

The principal activity of Royal Midland Counties Home for the Disabled is to support Castel Froma Neuro Care Limited. The sale of approximately 1.5 acres of land in 2004 allowed Royal Midland Counties Home for the Disabled to invest a large sum of money in property. The monthly income has been allocated to projects in Castel Froma Neuro Care Limited for physically disabled people. All of the projects have directly benefited the residents.

**Volunteers**

In addition to approximately 217 paid employees, the charity also benefits from in excess of 1,000 hours of donated time each year. This figure includes time spent at the care centres by committee members, drivers and letter writers, who all participate in fundraising events, visit residents, and accompany them on excursions outside the care centre.

**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**TRUSTEES' ANNUAL REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing instrument**

Castel Froma Neuro Care Limited is a charitable company limited by guarantee, incorporated on 27 May 2003 and registered as a charity on 1 December 2003. The company was established under a Memorandum of Association, as amended by special resolutions of 7 November 2003 and 25 November 2010, which established the objects and powers of the company and is governed under its Articles of Association.

Royal Midland Counties Home for the Disabled is an unincorporated association set up under a Trust Deed dated 27<sup>th</sup> June 1884, as amended on 1<sup>st</sup> April 2011.

**Organisation and structure**

The overall management of the charity is carried out by the Chief Executive who is directly responsible to the trustees. All nursing and care staff report to the Registered Managers and all non-medical staff report to their relevant line manager. The members of the Senior Management Team comprise the Deputy Chief Executive, Registered Managers, Clinical Quality Improvement Manager and Clinical Services Manager, all of whom report to the Chief Executive.

**Governance and internal control**

The 'Board of Trustees' comprises the directors of the company. A list of those who served in these capacities during the period is set out on page 3. Members of the company guarantee to contribute an amount not exceeding £10 to the assets of the company in the event of winding up.

A panel comprising existing committee members selects members of the three committees: the Care Standards Committee; the Finances, Assets and Risks Committee; and the Remuneration Committee. The trustees meet quarterly.

New trustees are elected by the 'Board of Trustees'. New trustees are inducted during their first trustees' meeting. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

**Pay policy for senior staff**

The pay of the senior staff is reviewed by the Remuneration Committee (at least annually) and normally increased in line with average earnings. In view of the nature of the charity, the trustees benchmark against pay levels in other regional charities of a similar size. If recruitment has proven difficult in the recent past a market addition may also be paid.

**Plans for the future**

In January 2025 the extension at Helen Ley became operational and has provided an additional eight en-suite bedrooms at that site. The extension forms part of a wider review by the trustees of the charity's premises in the context of the need for the charity to align its care services with changes in modern healthcare services, including an increased focus on rehabilitation.

**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**TRUSTEES' ANNUAL REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**STRATEGIC REPORT**

**Achievements and performance**

2024-25 was another extremely challenging year as the charity, like many in the sector, was dealing with significant inflationary pressures in the economy, including an increase in employers' National Insurance, that were in part exacerbated by a volatile political environment around the world.

We continue to strive to provide a high standard of care for all of our residents at both sites. To this end, we have where possible, maintained the number of hours each week in respect of physiotherapy, occupational therapy, psychology, dietician and speech and language therapy. The latest CQC inspection reports still assess both sites as 'Good'. The latest inspection at Helen Ley House was carried out in-person in January 2025 whilst the most recent inspection for Lillington House was a desktop review.

**Financial review**

Details of the financial position of the charity are set out in the attached financial statements. Income for the year totalled £9,379,311 and expenditure totalled £9,969,926. Net expenditure and the net movement in funds for the year totalled £590,615. Unrestricted reserves at the year-end amounted to £9,641,025 and these comprised general reserves of £2,821,415 and designated reserves of £6,819,610. Restricted reserves comprise the restricted reserves of Castel Froma Neuro Care Limited totalling £18,860.

During the year, the trustees consulted the Charity Commission and took appropriate legal advice to explore the possibility of the endowment fund, which at £4,250,000, represented the majority of the value of the site at Lillington House, being released from its restriction and transferred into unrestricted funds. This corresponds with the charity's longer-term aim to widen the extent of its services as detailed on page 8.

Legal advice was clear that the charity could proceed and accordingly, a transfer has been made to effect this. The endowment fund now has a value of £Nil and the general fund was increased by £2,388,000, being the anticipated realisable value of the sale of the relevant parts of the site, with the balance of £1,862,000 transferred into designated funds.

**Investment policy**

The charity's investments are held in accordance with the trustees' powers. The trustees had previously considered the most appropriate policy for investing the funds and found that a mixture of property investment and investment in a portfolio of equities had, at that time, met their requirements to generate both income and capital growth. Since the disposal of its remaining investments in 2024, there has been more focus on the charity ensuring that cash is available when needed.

**Risk review**

The trustees have put in place a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the trustees continually review the adequacy of the charity's current internal controls. The trustees are pleased to report that the charity's internal financial controls, in particular, conform to guidelines issued by the Charity Commission.

The trustees have conducted their own review of the major risks to which the charity is exposed, and systems have been implemented to mitigate those risks. The significant external risks to the charity are noted within the key risks identified below and include the key financial risk of the charity not meeting its budget. Internal risks are minimised by the implementation of internal control procedures for authorisation of transactions and projects and through staff development. These procedures are reviewed periodically to ensure they still meet the needs of the charity.

The key risks as identified by the trustees include:

- Residents' fees as awarded by Commissioners not keeping pace with inflation and the ensuing difficulty in achieving a balanced budget, given the requirement to meet and maintain the charity's reputation and commitment to care standards;
- Delayed settlements from debtors, leading to an adverse impact on cash flow and a resultant delay in settlements to suppliers.



**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**TRUSTEES' ANNUAL REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**STRATEGIC REPORT**

**Reserves policy**

The trustees have examined the charity's requirements for reserves in the light of the main risks to the organisation and have established a policy whereby sufficient unrestricted reserves are retained in order to meet unforeseen increased working capital requirements at a level equal to at least six months' operating expenditure. In April 2021, the trustees further clarified the reserves policy with an additional aim to hold a level of reserves in liquid assets such as cash deposits or investment funds of at least three months' operating expenditure. The policy was reviewed again in 2025 and is still considered to be appropriate.

The strategy of the trustees is guided by the following principles:

- To build reserves through planned operating surpluses;
- To review the policy regularly in the light of financial performance and any changes in risk assessment;
- To apply this policy in conjunction with the investment policy, to enable a proportion of the reserve to be invested; and
- To limit the ability of the charity to draw from its reserves by only authorising the Chief Executive or Chair of the Trustees to effect such a drawdown, with an obligation to report and such withdrawal to the Board.

Following the legal advice taken regarding the status of the endowment fund and the transfer effected from that fund, the level of unrestricted reserves at the year-end was £9,641,025, of which there was a designation of £6,819,610. This designated fund represents the majority of the net book value of the functional fixed assets of the charity and is therefore not deemed to be available to the charity for activities other than to which these assets are currently committed. The level of reserves available to the charity for unforeseen working capital requirements was therefore £2,821,415, which, at just over three months' operating expenditure, is short of the six months target, based upon current levels of activity and budgets for the forthcoming years. Liquid assets are also below target. However, as part of the trustees' wider strategic review of the charity's premises, the decision was taken to sell part of the site at Lillington House, and with firm offers in place, this is expected to generate cash of over £2.3million in 2026 (reflected in current assets in the balance sheet), hence the charity's liquidity position is considered to have considerably eased in the short to medium term. The trustees therefore consider that the current level of reserves is adequate for the charity to meet its objectives.

**Valuation of properties**

As part of the wider review of the charity's premises and the legal advice taken on the endowment fund, the charity obtained valuations of the Lillington House site towards the end of the financial year. The whole site was valued in the region of £4,500,000 and thus not deemed to be impaired when compared to its previous carrying value. Separate valuations were obtained for the elements of the site intended for marketing and resale and, with other modification costs factored into the offers made, £2,388,000 has been transferred from fixed assets to current assets.

As there has been significant further investment in Helen Ley House, since its last valuation, a fresh valuation will be considered in 2026 to ensure its carrying value remains appropriate. The trustees are satisfied that at the year end the site was not impaired and that its current carrying value is appropriate.

No adjustments were therefore made to the carrying values of the properties for the year ended 31 March 2025.

**Fundraising**

Whilst the charity does incur some expenditure in respect of fundraising activities, including professional fees for a third-party agent in respect of corporate charity donations, these are considered to be on a small scale and do not form part of the charity's principal activities. The charity neither participates in publicly marketed fundraising events nor in the active soliciting of donations from members of the general public. Accordingly, the charity is not registered with the Fundraising Regulator, although the trustees will keep the situation under review.

The trustees would like to acknowledge their sincere gratitude for the donations in the year from: The Edward Cadbury Trust, W A Cadbury Trust and The Rowlands Trust. The majority of these donations were to supply furniture and equipment for the Helen Ley extension.

**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**TRUSTEES' ANNUAL REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**STATEMENT OF PUBLIC BENEFIT**

The trustees are mindful of the need to demonstrate public benefit in the operation of both Royal Midland Counties Home for the Disabled (RMCHD) and Castel Froma Neuro Care Limited. For many years the charity had operated at a trading loss and had been wholly dependent upon RMCHD to provide substantial donations in order to keep the charity running. The trustees are now pursuing a strategy of maintaining realistic fee levels whilst also ensuring that costs are actively managed, which has started to produce financial stability for the charity.

The trustees have duly considered the Charity Commission's published guidance on public benefit requirements under the Charities Act 2011.

As such, the trustees carry out those objects and activities by contracting with, amongst others, NHS England and various Integrated Care Boards to provide:-

- Rehabilitation of individuals following catastrophic brain traumas; and
- Continuing specialist and complex care for individuals with ongoing brain related traumas and physical disabilities.

As a result of this, the charity is deemed to demonstrate a public benefit in assisting the NHS and other public bodies by offering a more tailored solution to these individuals whose complex and often long-term care needs would otherwise place a significant burden on publicly funded resources and facilities.

Furthermore, in common with other charities in the care sector, the fees charged to residents are based on a structure of cost recovery that extends only to direct care costs and ancillary overheads, but which excludes a charge for room rental. As such the charity is considered to offer a demonstrable public benefit to residents, their families and wider society in providing this service within the context of its overall care obligations.

The charity is open to all who may benefit from the highly intensive services offered at Castel Froma Neuro Care Limited. We know we could do more and that is why we are seeking to provide more appropriate facilities and surroundings to support the more complex needs we need to meet. A broader range of services is contemplated which would offer further support to those needing the specialised service we offer. This approach is entirely driven by the charity's objective of relieving persons with physical disabilities by the provision of care.

**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**TRUSTEES' ANNUAL REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**Trustees' responsibilities in relation to the financial statements**

The charity trustees (who are also directors of Castel Froma Neuro Care Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

**Statement as to disclosure to our auditors**

In so far as the trustees are aware at the time of approving our trustees' annual report:

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

**Auditors**

HB&O Ltd have expressed their willingness to continue in the capacity of the company's auditors.

**Approval of Strategic Report**

In approving the Trustees' Annual Report we also approve the Strategic Report included therein, in our capacity as company directors.

Approved by the trustees on 23 December 2025 and signed on their behalf by:



FT595000-DADA-92A5-1AE3-08DE420031DC

Dr C Wilson  
Chair of Trustees

**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASTEL FROMA NEURO CARE LIMITED**

**FOR THE YEAR ENDED 31 MARCH 2025**

**Opinion**

We have audited the financial statements of Castel Froma Neuro Care Limited (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified 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.

**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASTEL FROMA NEURO CARE LIMITED (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**Other information**

The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, 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 the audit:

- the information given in the Trustees' Annual Report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' 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 9, 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.

**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASTEL FROMA NEURO CARE LIMITED (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**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 it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

The audit process includes an assessment of the entity's risk environment, through enquiry of and discussion with management and those charged with governance, including an assessment of any key laws and regulations with which the charitable company must comply in the ordinary course of its operations.

Additionally, the overall risks of irregular transactions occurring are assessed following our observations and confirmation of the design and implementation of management's controls. Whilst we are mindful of these risks, our audit focus is geared towards the risk of material misstatement in the financial statements as a whole.

As such, our procedures cannot guarantee that all transactions have been fully compliant with all relevant laws and regulations, including those regulations relating to fraud, as our procedures are not designed to detect all instances of non-compliance. By definition, the risk of our detection of non-compliance is greater where compliance with a law or regulation is removed from the events and transactions reflected in the financial statements. The risk is also greater regarding irregularities due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/library/standards-codes-policy/audit-assurance-and-ethics/auditors-responsibilities-for-the-audit/>. This description forms part of our auditor's report.

**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.



Mark Ashfield BA FCA (Senior Statutory Auditor)  
For and on behalf of HB&O Ltd  
Chartered Accountants and Statutory Auditor  
Highdown House  
11 Highdown Road  
Leamington Spa  
Warwickshire  
CV31 1XT

23 December 2025

**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (including income and expenditure account)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

		Unrestricted Funds £	Restricted and Endowment Funds £	Total 2025 £	Total 2024 £
	Note				
<b>Income and endowments from:</b>					
Donations and legacies	2	14,039	79,850	93,889	371,945
Charitable activities					
Operation of care centres:					
Residential fees	2	9,222,836	-	9,222,836	8,424,443
Investments	3	31,618	-	31,618	158,066
Other		30,968	-	30,968	20,378
<b>Total income and endowments</b>		<u>9,299,461</u>	<u>79,850</u>	<u>9,379,311</u>	<u>8,974,832</u>
<b>Expenditure on:</b>					
Raising funds	4	18,783	-	18,783	96,511
Charitable activities: Operation of care centres	9	9,931,910	19,233	9,951,143	9,122,476
<b>Total expenditure</b>		<u>9,950,693</u>	<u>19,233</u>	<u>9,969,926</u>	<u>9,218,987</u>
<b>Net (expenditure)/ income</b>	7	(651,232)	60,617	(590,615)	(244,155)
<b>Transfers between funds</b>	17	4,323,000	(4,323,000)	-	-
<b>Other recognised gains/ (losses):</b>					
Other gains/ (losses)	6	-	-	-	(42,746)
<b>Net movement in funds</b>		3,671,768	(4,262,383)	(590,615)	(286,901)
<b>Reconciliation of funds</b>					
Total fund balances brought forward at 1 April 2024	17	<u>5,969,257</u>	<u>4,281,243</u>	<u>10,250,500</u>	<u>10,537,401</u>
Total fund balances carried forward at 31 March 2025	17	<u><u>9,641,025</u></u>	<u><u>18,860</u></u>	<u><u>9,659,885</u></u>	<u><u>10,250,500</u></u>

All income and expenditure derive from continuing activities.

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

**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**BALANCE SHEET AS AT 31 MARCH 2025**

		<b>2025</b> <b>£</b>	<b>2024</b> <b>£</b>
	<b>Note</b>		
<b>Fixed assets</b>			
Tangible assets	<b>10</b>	6,829,167	8,896,076
		<hr/> 6,829,167	<hr/> 8,896,076
<b>Current assets</b>			
Stock and assets held for resale	<b>11</b>	2,435,068	39,195
Debtors	<b>12</b>	459,187	709,269
Cash at bank and in hand		659,432	1,426,642
		<hr/> 3,553,687	<hr/> 2,175,106
<b>Creditors : amounts falling due within one year</b>	<b>13</b>	(722,969)	(820,682)
<b>Net current assets</b>		2,830,718	1,354,424
		<hr/>	<hr/>
<b>Total assets less current liabilities and net assets</b>		9,659,885	10,250,500
		<hr/>	<hr/>
<b>Unrestricted funds</b>			
<b>General funds</b>			
General	<b>17</b>	2,821,415	1,339,473
		<hr/>	<hr/>
<b>Total General funds</b>		2,821,415	1,339,473
<b>Designated funds</b>	<b>17</b>	6,819,610	4,629,784
		<hr/>	<hr/>
		9,641,025	5,969,257
<b>Restricted funds</b>	<b>17</b>	18,860	31,243
<b>Endowment fund</b>	<b>17</b>	-	4,250,000
(held by Castel Froma Neuro Care Ltd as a trustee of RMCHD)		<hr/>	<hr/>
<b>Total funds</b>		9,659,885	10,250,500
		<hr/>	<hr/>

These accounts were approved by the Board of Trustees on 23 December 2025 and signed on its behalf by



FT590000-DADA-92A5-1AE4-08DE420001DC

**DR C WILSON**

Chair



**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 MARCH 2025**

	Note	2025 £	2024 £	
Cash (used in)/ provided by operating activities	1	(277,031)	60,599	
<b>Cash flows from investing activities</b>				
Payments to acquire tangible fixed assets		(540,400)	(983,888)	
Receipts from disposal of fixed asset investments		-	2,864,838	
Receipts from disposal of fixed assets		18,603	-	
Interest received		12,228	7,354	
Rents received		19,390	150,712	
Cash (used in)/ provided by investing activities		(490,179)	2,039,016	
<b>Cash flows from financing activities</b>				
New loans advanced		-	507,500	
Repayment of loans		-	(1,462,807)	
Interest paid		-	(47,745)	
Cash used in financing activities		-	(1,003,052)	
(Decrease)/ increase in cash and cash equivalents		(767,210)	1,096,563	
Cash and cash equivalents at 1 April		1,426,642	330,079	
Cash and cash equivalents at 31 March		659,432	1,426,642	
<b>Cash and cash equivalents consists of:</b>				
Cash and cash equivalents at 31 March		659,432	1,426,642	
<b>Analysis of changes in net funds</b>				
	At 1 April 2024 £	Cash Flows £	Non-cash Changes £	At 31 March 2025 £
Cash and cash equivalents	1,426,642	(767,210)	-	659,432
Total net funds	1,426,642	(767,210)	-	659,432

**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**NOTES TO THE STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 MARCH 2025**

**1. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Net movement in funds	(590,615)	(286,901)
Rents received	(19,390)	(150,712)
Interest receivable	(12,228)	(7,354)
Interest payable	-	47,745
Depreciation of tangible fixed assets	212,706	258,541
Profit on disposal of tangible fixed assets	(12,000)	-
(Gains)/ losses on investments and investment property	-	42,746
(Increase)/decrease in stock	(7,873)	55,102
Decrease/(increase) in debtors	250,082	(155,973)
(Decrease)/ increase in creditors	(97,713)	257,405
Net cash (used in)/ provided by operating activities	<u>(277,031)</u>	<u>60,599</u>

**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

**1 Principal accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are set out below as follows. These policies have been consistently applied unless otherwise stated.

**a) Basis of preparation**

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

Castel Froma Neuro Care Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are presented in sterling, which is the functional currency of the charitable company and rounded to the nearest £.

**b) Preparation of the accounts on a going concern basis**

The charity reported an adverse net movement in funds of £590,615. However, it should be noted that this performance was again in the context of stubborn inflationary pressures in what has continued to be a volatile economic and political environment. The trustees consider that the charity's future plans, which will include a focus on rehabilitation and care of clinically complex cases combined with an ongoing review of premises, will result in an overall reduction in expenditure as a percentage of income. The forecasts for operating cash flows, in particular with the imminent sale of part of the Lillington House site, together with the level of reserves, suggest that the charity's future is secured for at least 12 months following the authorisation of these accounts. Accordingly, on this basis the trustees consider that no material uncertainties exist and that the charitable company is therefore a going concern.

**c) Income**

Income is recognised when the charity has any entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable the income will be received and the amount can be measured reliably.

Income from government and other grants, whether "capital" grants or "revenue" grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of any care services provided is deferred until the criteria for income recognition are met (see note 13).

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**1 Principal accounting policies (continued)**

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

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from investment property is accounted for on a straight-line basis over the period of the lease.

**d) Fund accounting**

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

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

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

**e) Expenditure recognition and irrecoverable VAT**

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

- Costs of raising funds comprise property management fees and property related interest and costs; and staff and professional fees associated with raising funds.
- Expenditure on charitable activities includes the costs associated with the provision of care and accommodation for severely physically disabled people and other activities undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**f) Support costs**

Support costs are those functions that assist the work of the charity but do not directly represent charitable activities and include office costs, finance, personnel, payroll and governance costs. Where support costs cannot be directly attributed to particular headings, they have been allocated to the cost of raising funds and expenditure on charitable activities. Costs are allocated to activities based on a relevant indicator for use of resources (e.g. staff allocated by activity; floor area of building; equipment allocated by activity). The bases on which support costs have been allocated are set out in note 9.

**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**1 Principal accounting policies (continued)**

**g) Leases**

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

**h) Tangible fixed assets**

Individual fixed assets costing £1,000 or more are capitalised at cost.

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

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

Freehold land and buildings	0% p.a.
Motor vehicles	25% p.a. reducing balance
Fixtures, fittings and equipment	15%, p.a., 20% p.a. and 33.3% p.a. straight line

Freehold land and buildings are not depreciated as the charity maintains the properties to a high standard and their residual values are regularly measured on the basis of fair value and reinstatement cost as a means to assess their carrying values in the financial statements. This informs an annual impairment review, which is undertaken to establish the recoverable value of all properties.

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

**i) Stock and assets held for resale**

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items. Cost includes all costs of purchase and other costs incurred in bringing stock to its present location and condition.

Property held for resale is shown within stock at a current market value which is expected to be realised.

**j) Debtors and creditors receivable/payable within one year**

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

**k) Financial instruments**

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

**CASTEL FROMA NEURO CARE LIMITED**  
**(a company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**1 Principal accounting policies (continued)**

**l) Employee benefits**

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

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

**m) Tax**

The charity 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, it does not have liability to corporation tax in the course of its normal charitable activities.

**n) Company status and general information**

The charity is a private company incorporated in England and Wales and is limited by guarantee, with no share capital. The members of the company include the trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office and registered numbers of the company and charity are shown in the charity information on page 2 of these financial statements.

**o) Critical accounting estimates and judgements**

To be able to prepare financial statements in accordance with FRS 102, the charity must make certain estimates and judgements that have an impact on the policies and the amount reported in the annual financial statements. The estimates and judgements are based on historical experiences and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made. The trustees do not consider any of the estimates or judgements applied to be significant to the financial statements.

**2 Income and endowments**

Income from donations and legacies was £93,889 (2024: £371,945) of which £79,850 (2024: £27,853) was attributable to restricted funds and £14,039 (2024: £344,092) was attributable to unrestricted funds.

Income from charitable activities was £9,222,836 (2024: £8,424,443) all of which was attributable to unrestricted funds and related to the provision of care services.

**3 Investment income**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Rental income and income under operating leases	19,390	150,712
Interest and dividend income	12,228	7,354
	<u>31,618</u>	<u>158,066</u>

All investment income in the current and prior years was attributable to unrestricted funds.

**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**4 Expenditure on raising funds**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Professional fees for direct fundraising costs	18,783	23,479
Professional fees for investing activities	-	708
Property management fees and repairs	-	15,529
Tenancy agreement and valuation	-	9,050
Bank loan interest	-	47,745
	<u>18,783</u>	<u>96,511</u>

Of the expenditure on raising funds above, only £18,783 (2024: £23,479) related directly to donations and legacy income in the financial statements. Other expenditure is associated with professional and property management fees in respect of fixed asset investments and investment property; and the cost of servicing the secured loans, which were fully discharged in 2024.

All expenditure on raising funds in the current and prior year was attributable to unrestricted funds.

**5 Staff costs, trustee remuneration and expenses and the cost of key management personnel**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Wages and salaries	6,958,805	6,272,885
Social security costs	607,127	512,238
Pensions	133,212	114,699
	<u>7,699,144</u>	<u>6,899,822</u>

Wages and salaries include agency and bought in staff costs totalling £358,963 (2024: £462,666). The trustees neither received nor waived any remuneration during the year (2024: £Nil). No trustee was reimbursed expenses during the current or prior year.

The number of staff whose emoluments fell within the following bands was as follows:-	<b>No.</b>	<b>No.</b>
£60,001 to £70,000	3	3
£70,001 to £80,000	1	2
£80,001 to £90,000	-	1
£90,001 to £100,000	2	1
£110,001 to £120,000	-	2
£120,001 to £130,000	2	-

Eight (2024: Nine) employees earning over £60,000 were accruing retirement benefits under a defined contribution scheme. In the year, employer contributions of £18,127 (2024: £15,010) were made in respect of these employees.

**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**5 Staff costs, trustee remuneration and expenses and the cost of key management personnel (continued)**

The average monthly headcount was 217 staff (2024: 206 staff) and the average monthly number of full-time equivalent employees (including part time staff) during the year was:

	<b>2025</b>	<b>2024</b>
	<b>No.</b>	<b>No.</b>
Management	4	4
Administration	7	6
Nursing	33	32
Ancillary care	108	96
Therapy	25	24
Housekeeping	13	14
Services	5	5
	<u>195</u>	<u>181</u>

The key management of the charity comprise the Trustees, the Chief Executive and nominated individual, the Deputy Chief Executive and the Clinical Managers. The total employee benefits of the key management personnel of the charity were as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Key management employee benefits	<u>460,637</u>	<u>417,741</u>

**6 Other gains and losses**

Other gains and losses include realised losses of £nil (2024: £1,247) in respect of listed investments.

Additionally, a realised loss of £nil (2024: £41,499) has been recognised on the charitable company's investment property.

**7 Net expenditure**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Net (expenditure)/ income is stated after charging/ (crediting):-		
Other operating leases and equipment hire	26,166	27,018
Depreciation – owned assets	212,706	258,541
Profit on disposal of fixed assets	(12,000)	-
Income from operating lease arrangements	-	(126,938)
Auditors' remuneration	<u>15,000</u>	<u>15,000</u>

**8 Interest payable**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Bank loan Interest	<u>-</u>	<u>47,745</u>



**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**9 Analysis of expenditure on charitable activities**

	Operation of Care centres	Therapies	Total 2025	Total 2024
	£	£	£	£
Staff	5,575,391	934,973	6,510,364	5,711,042
Rent & rates	33,490	5,004	38,494	36,930
Light, heat & power	233,398	34,876	268,274	272,486
Supplies (medical, catering & cleaning)	524,145	78,320	602,465	611,775
Repairs & maintenance	226,486	33,843	260,329	255,907
Training	31,631	4,726	36,357	23,247
Subscriptions	76,705	11,462	88,167	71,877
Motor & travelling expenses	15,794	2,360	18,154	11,531
Insurance	104,734	15,650	120,384	122,333
Bank charges & interest	380	-	380	16,321
Depreciation	191,435	21,271	212,706	258,541
General expenses	149,824	21,917	171,741	118,874
	<u>7,163,413</u>	<u>1,164,402</u>	<u>8,327,815</u>	<u>7,510,864</u>

Allocation of support and governance costs to activities	Operation of Care centres	Total 2025	Total 2024
	£	£	£
Wages and salaries & related costs (allocated on time)	1,062,602	1,062,602	1,070,764
General (pro rata to staff full time equivalent)	162,919	162,919	163,810
Legal and other professional fees	<u>164,309</u>	<u>164,309</u>	<u>153,582</u>
Support costs	1,389,830	1,389,830	1,388,156
Governance costs (allocated on time)	233,498	233,498	223,456
Direct costs		8,327,815	7,510,864
Total costs relating to the operation of the care centres		<u>9,951,143</u>	<u>9,122,476</u>

Governance costs comprise the following:-

	2025	2024
	£	£
Staff costs	126,178	118,016
Legal and professional fees	107,320	105,440
	<u>233,498</u>	<u>223,456</u>

Expenditure on charitable activities was £9,951,143 (2024: £9,122,476) of which £19,233 (2024: £20,265) was attributable to restricted funds and £9,931,910 (2024: £9,102,211) was attributable to unrestricted funds.

**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

<b>10 Tangible fixed assets</b>	<b>Freehold land &amp; buildings</b>	<b>Motor Vehicles</b>	<b>Fixtures fittings &amp; equipment</b>	<b>Total</b>
<b>Cost or valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2024	8,801,026	158,116	4,758,479	13,717,621
Additions	216,844	-	323,556	540,400
Disposals	-	(58,988)	-	(58,988)
Transfer	(2,388,000)	-	-	(2,388,000)
At 31 March 2025	6,629,870	99,128	5,082,035	11,811,033
<b>Depreciation</b>				
At 1 April 2024	510,420	141,416	4,169,709	4,821,545
Charge for the period	-	2,855	209,851	212,706
Disposals	-	(52,385)	-	(52,385)
At 31 March 2025	510,420	91,886	4,379,560	4,981,866
<b>Net book value</b>				
At 31 March 2025	6,119,450	7,242	702,475	6,829,167
At 31 March 2024	8,290,606	16,700	588,770	8,896,076

Freehold land and buildings comprise the sites at Lillington Road (Lillington House) which, following a transfer of part of the site to stock, has a remaining carrying value of £1,889,535; and at Bericote Lane (Helen Ley House) with a carrying value of £4,229,915.

Lillington House was valued towards the end of 2024 by Wareing & Company, with the whole site being assessed as having a realisable value of £4,500,000, in excess of its previous carrying value. The transfer of £2,388,000 to current assets in note 11 represents the amounts for which the charity has offers pending and subject to completion, following the marketing of these elements for resale.

Helen Ley House was last formally valued in the year to 31 March 2021 by Wareing & Company and with subsequent extension work since then, is set for a reassessment of its valuation in the year to 31 March 2026.

If freehold land and buildings had not been revalued, they would have been included at a historical cost of £3,557,079.

<b>11 Stock and assets held for resale</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Domestic supplies and consumables	47,068	39,195
Freehold property held for resale	2,388,000	-
	<u>2,435,068</u>	<u>39,195</u>
<b>12 Debtors</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Trade debtors	129,037	281,486
Prepayments and accrued income	330,150	427,783
	<u>459,187</u>	<u>709,269</u>

**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

<b>13 Creditors: amounts falling due within one year</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Trade creditors	466,844	540,546
Accruals and deferred income	128,454	140,366
Other taxation and social security	125,609	134,153
Other creditors	2,062	5,617
	<u>722,969</u>	<u>820,682</u>

Included in accruals and deferred income is fee income relating to later periods totalling £60,425 (2024: £32,331). Amounts of £32,331 were released from the previous accounting period.

**14 Operating lease commitments**

At 31 March 2025 the charity had minimum lease payments under non-cancellable operating leases as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Expiry date:		
Within 1 year	25,136	23,926
Between 1 and 5 years	87,428	90,720
Over 5 years	-	11,160
	<u>112,564</u>	<u>125,806</u>

**15 Residents' savings**

An amount of £15,312 (2024: £13,984) is held in two secure bank accounts on behalf of residents. All accounting records for transactions made on behalf of residents are segregated from the records of the charitable company.

**16 Pension commitments**

The charitable company operates a defined contribution pension scheme in respect of the staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the charitable company and amounted to £133,212 (2024: £114,699). Included within creditors is an amount due to scheme providers totalling £26,976 (2024: £27,009).

**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**17 Funds**

	At 1 April 2024 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2025 £
<b>General reserve</b>					
General	1,339,473	9,299,461	(9,756,722)	1,939,203	2,821,415
<b>Total General reserve</b>	1,339,473	9,299,461	(9,756,722)	1,939,203	2,821,415
<b>Designated reserve</b>					
Fixed asset fund	4,629,784	-	(193,971)	2,383,797	6,819,610
<b>Unrestricted funds</b>	5,969,257	9,299,461	(9,950,693)	4,323,000	9,641,025
<b>Restricted revenue funds</b>					
Nurses' social committee fund	3,122	-	-	-	3,122
Lounge refurbishments	5,000	5,100	(10,100)	-	-
Software fund	153	-	(153)	-	-
Leisure and sporting activities	1,794	-	-	-	1,794
Other	4,882	1,750	(2,245)	-	4,387
	14,951	6,850	(12,498)	-	9,303
<b>Restricted capital funds</b>					
New build fund	-	73,000	-	(73,000)	-
Profiling beds	16,292	-	(6,735)	-	9,557
	31,243	79,850	(19,233)	(73,000)	18,860
<b>Endowment fund (RMCHD)</b>	4,250,000	-	-	(4,250,000)	-
<b>Total funds</b>	10,250,500	9,379,311	(9,969,926)	-	9,659,885

The general reserve represents the free funds of the charity which are not designated for particular purposes.

Designated unrestricted funds include reserves invested in fixed assets and land and property assets.

The endowment fund was held by Royal Midland Counties Home for the Disabled and comprised a permanent endowment of £4,250,000, being the site of the charity's registered address (represented within freehold land & buildings in note 10). During the year to 31 March 2025, the charity took appropriate legal advice and consulted with the Charity Commission, the upshot of which was to release these funds from the permanent endowment and enable them to be treated as unrestricted. Accordingly, a transfer has been made of £4,250,000 from the endowment fund into unrestricted funds.

The restricted funds are those funds which have been used in accordance with restrictions imposed by donors or funds which have been raised by the charity for specific purposes:-

- The nurses' social committee fund represents amounts received from the Mary Hallam estate to be spent by the committees.
- The software fund represents amounts donated by Royal Midlands Counties Home for the Disabled and other donors to install relevant software and purchase the necessary support and testing required to bring it into full operational use.
- The leisure and sporting activities fund represents amounts donated towards additional leisure and sporting activities for the benefit of residents.
- Other restricted funds comprise funds in relation to: People's postcode lottery; Specialist training; The Tent Event; and The English Project.

Where a transfer has been made from restricted to unrestricted funds, this is to reflect that the terms of a restricted capital donation have been met once the associated fixed assets have been acquired. The net book values of the associated assets are included in the fixed asset designated fund.

**CASTEL FROMA NEURO CARE LIMITED**  
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**18 Analysis of net assets between funds**

	Tangible fixed assets £	Net current assets £	Total £
<b>Unrestricted funds</b>			
General reserve	-	2,821,415	2,821,415
Designated reserve	6,819,610	-	6,819,610
<b>Restricted funds</b>	9,557	9,303	18,860
	6,829,167	2,830,718	9,659,885

**19 Related party transactions**

There were no related party transactions during the year (2024: £Nil).

**20 Controlling interest**

The charity is controlled by the trustees.