

FREEWAYS TRUST

England & Wales · Charity number 1102216

Details

Other names FREEWAYS LIMITED

Status Registered

Legal form Charitable company

Company number [05026647](#)

Registered 2004-02-20

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

Contact

Address Freeways
Leigh Court Business Centre
Pill Road
Abbots Leigh
Bristol
BS8 3RA

Phone 01275372109

Email info@freewaystrust.org.uk

Website <http://freeways.org.uk/>

Activities

Objects: TO PROMOTE THE EDUCATION AND TRAINING (INCLUDING SOCIAL AND PHYSICAL TRAINING) AND THE CARE AND RELIEF OF MENTALLY HANDICAPPED PERSONS OR PERSONS SUFFERING FROM MENTAL ILLNESS OR ANY OTHER DISORDER OF THE MIND BY THE ESTABLISHMENT OR ACQUISITION, MAINTENANCE AND OPERATION OF RESIDENTIAL HOUSES AND HOSTELS AND TRAINING CENTRES FOR SUCH PERSONS.

Activities: Provision of high quality properties for use by residential, supported living and day care services for people with learning difficulties.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Disability
- **Who:** People With Disabilities

Geography

- Bath And North East Somerset
- Bristol City
- North Somerset
- South Gloucestershire

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|------------|-------------|-------------|-----------|
| 2025-03-31 | £1,956,740 | £1,099,435 | £14,098,120 | 5 |
| 2024-03-31 | £1,151,617 | £936,132 | £13,240,815 | 6 |
| 2023-03-31 | £1,136,139 | £836,170 | £12,998,830 | 4 |
| 2022-03-31 | £956,044 | £661,326 | £12,698,861 | 4 |
| 2021-03-31 | £905,505 | £645,989 | £12,404,143 | 4 |

Trustees

| Name | Role | Appointed |
|-------------------------------|-------|------------|
| FRANKLIN SELION MORTON | Chair | |
| Dawn Yvonne Pincott | | 2020-01-27 |
| Kim Cheryl Gascoigne | | 2024-08-12 |
| MR CHRIS BRITTON | | 2015-05-19 |

Linked charities

- FREEWAYS TRUST (1102216-1)

FREEWAYS TRUST

England & Wales - Charity number 1102216

Accounts

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

| | Page |
|---|---------|
| Reference and Administrative Details of the Charity, its Trustees and Advisers | 1 |
| Trustees' Report | 2 - 5 |
| Trustees' Responsibilities Statement | 6 |
| Independent Auditors' Report on the Financial Statements | 7 - 10 |
| Statement of Financial Activities | 11 |
| Balance Sheet | 12 |
| Statement of Cash Flows | 13 |
| Notes to the Financial Statements | 14 - 26 |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025**

Trustees F S Morton
C C Britton
D Y Pincott
B E Sawyer (resigned 5 June 2025)
N J Morgan (resigned 13 June 2024)
K C Gascoigne (appointed 12 August 2024)

**Company registered
number** 05026647

**Charity registered
number** 1102216

Registered office Leigh Court Day Centre
Pill Road
Abbots Leigh
Bristol
BS8 3RA

Company secretary R L Burkinshaw

Independent auditors Bishop Fleming Audit Limited
Chartered Accountants
10 Temple Back
Bristol
BS1 6FL

Bankers Barclays Bank plc
86 Queens Road
Clifton
Bristol
BS8 1RB

Solicitors Burges Salmon LLP
One Glass Wharf
Bristol
BS2 0ZX

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

The Trustees (who are also the directors of the charity for the purpose of the Companies Act) present their annual report together with the audited financial statements of Freeways Trust (the charity) for the year ended 31 March 2025. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2026 (Strategic Report and Directors' Report) Regulations 2013 is not needed.

Objectives and Activities

The core objective of the charity, as outlined in its Memorandum of Association, includes **the care and relief of adults with a learning disability by the establishment or acquisition, maintenance and operation of residential houses and hostels and training centres.**

Freeways Trust fulfils this purpose primarily through the ownership, development, and leasing of high-quality, accessible properties that are used to provide care and support services. Properties are made available either:

- to Freeways (Charity No. 298603), which delivers direct care services, including residential, supported living, day services and therapeutic facilities; or
- directly to adults with learning disabilities through supported tenancies.

The Charity works in close partnership with Freeways, Commissioners, and local stakeholders to ensure that the built environment supports person-centred care, independence, and long-term wellbeing.

Our work is guided by a shared Vision with Freeways to be "A Provider of Choice" underpinned by our Mission of "Quality, Wellbeing and Evolution." These values drive our commitment to sustainable, inclusive, and future-focused property solutions.

The Trustees confirm that they have complied with the duty to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

Structure, Governance and Management

Freeways Trust is a company limited by guarantee (Registered no. 5026647) registered in England and Wales and a registered charity (Registered no. 1102216). The company is limited by guarantee having no share capital. In the event of the company being wound up every member undertakes to contribute to the assets of the company up to an amount not exceeding £1.

Freeways Trust was established in December 1987 under a deed of Trust as a registered charity. From 1 April 2004, the activities of the charity were incorporated. The governing document is the Memorandum and Articles of Association of the company and members of the Board of Trustees are the Directors of the company.

The Trustees have delegated day to day finance management of the charity to the Company Secretary. In addition, the Trustees have appointed a Strategic Estate Manager to lead the preparation and implementation of an estates strategy and also report on the performance of the charity against strategic plans set and agreed by the Trustees. The Trustees meet bi-monthly.

During the year, one Trustee resigned and one new Trustee was appointed to the Freeways Trust Board. New Trustees invited to join the Board are selected on the basis of their experience and skills. Trustees are encouraged to attend appropriate external training events where these would facilitate the understanding of their role.

A separate charity, Freeways (Charity no. 298603), mainly has common Trustees to Freeways Trust, but is not under common control and both organisations have similar charitable objects. A small number of staff work across both organisations in a shared office space at Leigh Court.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

All Trustees give of their time freely and none receive remuneration or other benefit for their work with the Charity. Trustees are required to disclose all relevant interests and register them with the Company Secretary and any connection between a Trustee and a related party of any other organisation with which the charity co-operates is disclosed in the same way as any other contractual relationship with a related party.

Details of Trustee expenditure and related party transactions are disclosed in note 10 of the financial statements.

Risk Management

The Trustees are responsible for identifying, assessing, and managing the major risks facing the Charity. A formal risk management framework is in place, underpinned by:

- a risk register updated annually
- financial scenario planning linked to estates strategy
- oversight by the Board and designated sub-committees

Principal Risks Identified:

- Commissioning and funding volatility, particularly in adult social care
- Inflation and construction cost escalation, impacting strategic projects
- Rising employment costs, linked to planned NIC changes from April 2025
- Cybersecurity and data protection, in line with increased digitalisation.

The upcoming changes to NICs pose a manageable financial risk, given the Charity's staffing profile and sector constraints. The Executive Team continues to monitor government updates and model projected financial impacts.

The Charity's reserves, regular financial reviews, and tight operational controls support a robust risk mitigation environment.

The charity's reserves, financial oversight, and financial modelling form key components of its overall risk mitigation approach. The risk management framework is embedded throughout the organisation and reviewed regularly to ensure it remains responsive to both external developments and internal priorities.

Key Management Personnel Remuneration

The Trustees consider the Board of Trustees, the Company Secretary and the Strategic Estate Manager to comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis.

The pay of the Company Secretary and Strategic Estate Manager is reviewed annually and can be increased in accordance with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other charities of a similar size and also take into account sector experience.

Main Achievements

In 2024–25, the Charity continued to make significant progress across its estate strategy, enabling the delivery of safe, suitable and modern living environments for individuals with complex needs.

A key success this year was the collaborative work between the Charity, Freeways, NHS England (NHSE), and the BNSSG Integrated Care Board (ICB). This multi-agency approach led to the creation of a bespoke living environment for an individual with significant behavioural needs. Through careful planning, temporary relocation, and construction of a tailored space, this intervention significantly improved outcomes for the individual and enabled capacity for another person returning to the area from residential college.

The Charity also made progress in digitising property compliance. Working with Freeways, all statutory safety checks are now accessible via a centralised electronic system, allowing for greater transparency, improved maintenance tracking, and real-time access to service-related documentation across locations.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Property Management and Maintenance

The Charity continued to own and lease:

- 7 residential homes (supporting up to 74 individuals)
- 8 supported living properties (supporting up to 41 individuals)
- a Day Centre, Hydrotherapy Pool and Head Office space

A structured repairs and maintenance programme was delivered during the year, encompassing both planned and reactive works. A maintenance service was also provided for the property 4A The Beach. This property, which Freeways Trust previously supported under a service level agreement, was gifted by its owners to the Charity during the year.

Evolution and Future Plans

In response to changing demand and sustainability challenges, Freeways made the difficult decision to close one residential home, Kenneth House, in Bristol, which had experienced long-standing vacancies. A sensitive, phased closure plan was implemented over six months to minimise disruption to residents and staff. This closure means that property is due to be sold by the Charity in 2025-26.

Simultaneously, the Charity advanced the redevelopment of its Whites House site in Bristol, a longstanding residential service nearing the end of its usable life. Following successful planning approval, construction commenced in 2024 on 8 new purpose-built flats and two Positive Behaviour Support (PBS) units, offering sustainable, future-proof housing options.

The Trust has worked closely with Freeways and North Somerset Council to design a new supported living service in Weston-Super-Mare. Planning approval has been secured and it is hoped that construction will begin in 2025–26.

Key Priorities for 2025-26

- Completion of the Kenneth House service closure and sale of the property
- Ongoing construction at the Whites House site, with completion targeted for late 2025
- Initiation of building works for the new supported living scheme in Weston-Super-Mare
- Expansion of PBS accommodation capacity

Investment Policy

The funds available to Freeways Trust are intended for the purchase of new, or improvement to existing properties, so Trustees do not consider it prudent to invest monies on a long-term basis. The policy to invest surplus cash in short-term deposits from one week to up to twelve months has been followed during the financial year and Treasury deposits made on behalf of the Trust.

Reserves Policy

The Trustees review the reserves policy annually in accordance with Charity Commission and SORP guidance. The policy requires the Charity to maintain free reserves (unrestricted and not designated or tied up in fixed assets) equivalent to at least two months of operational expenditure.

The current reserves are considered prudent to cover:

- Short-term fluctuations in income
- Unexpected cost pressures
- Planned investment in new services or capital projects

As at 31 March 2025, the Charity held:

- Total Free reserves: £12,697,104 (2024: £11,019,321)
- Designated reserves: £225,912 (2024: £1,702,344)
- Restricted reserves: £1,175,104 (2024: £519,150)

The Trustees acknowledge that reserves will be used in 2025-26 to support the redevelopment at Whites House and the proposed Trewartha Park project.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

In light of legislative changes taking effect from April 2025, including the increase in Employer National Insurance contributions (NICs) and reduction in the NIC threshold, staffing costs are expected to rise. These financial pressures are factored into financial modelling and future budgeting assumptions.

Going Concern

The Trustees have assessed the Charity's ability to continue as a going concern. This assessment considered the Charity's reserves position, forward-looking cash flow modelling, project commitments, and emerging risks, including inflationary pressures and employment cost increases.

The Trustees are satisfied that there are no material uncertainties and have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Disclosure of Information to Auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

F S Morton
Chair



C C Britton
Trustee



Date: 8th October 25

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2025**

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FREEWAYS TRUST

Opinion

We have audited the financial statements of Freeways Trust (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 and Charities Act 2011.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FREEWAYS TRUST (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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, 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and trustees in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FREEWAYS TRUST (CONTINUED)

We have also obtained understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity.

In additions, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Review of board minutes;
- Enquiring of management in relation to actual and potential claims and litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, specifically grants, with a particular focus around year-end cut off;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.

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

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in the financial statements or non-compliance with laws and regulations, will not be detected by us. The risk increases the further removed compliance with a law or regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

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

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FREEWAYS TRUST (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Butler ACA DChA
Bishop Fleming Audit Limited
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 17 October 2025

Bishop Fleming Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025

| | Note | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|---|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 510 | 667,752 | 668,262 | - |
| Charitable activities | 4 | 1,166,028 | - | 1,166,028 | 1,052,288 |
| Other trading activities | 5 | 47,484 | - | 47,484 | 30,391 |
| Investments | 6 | 74,966 | - | 74,966 | 68,938 |
| Total income | | 1,288,988 | 667,752 | 1,956,740 | 1,151,617 |
| Expenditure on: | | | | | |
| Charitable activities | | 1,087,637 | 11,798 | 1,099,435 | 936,132 |
| Total expenditure | | 1,087,637 | 11,798 | 1,099,435 | 936,132 |
| Net income before net gains on investments | | 201,351 | 655,954 | 857,305 | 215,485 |
| Net gains on investments | | - | - | - | 26,500 |
| Net movement in funds | | 201,351 | 655,954 | 857,305 | 241,985 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 12,721,665 | 519,150 | 13,240,815 | 12,998,830 |
| Net movement in funds | | 201,351 | 655,954 | 857,305 | 241,985 |
| Total funds carried forward | | 12,923,016 | 1,175,104 | 14,098,120 | 13,240,815 |

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:05026647

BALANCE SHEET
AS AT 31 MARCH 2025

| | Note | 2025 £ | 2024 £ |
|--|------|---------------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 11 | 10,968,968 | 9,322,185 |
| Investment property | 12 | 364,000 | 364,000 |
| | | <u>11,332,968</u> | <u>9,686,185</u> |
| Current assets | | | |
| Debtors | 13 | 223,882 | 51,805 |
| Cash at bank and in hand | | 2,640,060 | 3,581,301 |
| | | <u>2,863,942</u> | <u>3,633,106</u> |
| Creditors: amounts falling due within one year | 14 | (98,790) | (78,476) |
| | | <u>2,765,152</u> | <u>3,554,630</u> |
| Net current assets | | <u>2,765,152</u> | <u>3,554,630</u> |
| Total net assets | | <u><u>14,098,120</u></u> | <u><u>13,240,815</u></u> |
| Charity funds | | | |
| Restricted funds | 15 | 1,175,104 | 519,150 |
| Unrestricted funds | | | |
| Designated funds | 15 | 225,912 | 1,702,344 |
| General funds | 15 | 12,697,104 | 11,019,321 |
| | | <u>12,923,016</u> | <u>12,721,665</u> |
| Total unrestricted funds | 15 | <u>12,923,016</u> | <u>12,721,665</u> |
| Total funds | | <u><u>14,098,120</u></u> | <u><u>13,240,815</u></u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

F S Morton
Chair
Date 8 October 2025



C C Britton
Trustee



The notes on pages 14 to 26 form part of these financial statements.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025**

| | 2025 | 2024 |
|---|--------------------|------------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net cash used in operating activities | 950,531 | 473,356 |
| | <hr/> | <hr/> |
| Cash flows from investing activities | | |
| Interest received | 74,966 | 68,938 |
| Purchase of tangible fixed assets | (1,966,738) | (310,180) |
| | <hr/> | <hr/> |
| Net cash used in investing activities | (1,891,772) | (241,242) |
| | <hr/> | <hr/> |
| Cash flows from financing activities | | |
| | <hr/> | <hr/> |
| Net cash provided by financing activities | - | - |
| | <hr/> | <hr/> |
| Change in cash and cash equivalents in the year | (941,241) | 232,114 |
| Cash and cash equivalents at the beginning of the year | 3,581,301 | 3,349,187 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at the end of the year | 2,640,060 | 3,581,301 |
| | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 14 to 26 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. General information

Freeways Trust is a private company limited by guarantee, incorporated in England and Wales, with the registered company number 5026647 and the registered charity number 1102216. The charity's registered office is Leigh Court Day Centre, Pill Road, Abbots Leigh, Bristol, BS8 3RA.

2. Accounting policies

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Freeways Trust 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.

2.2 GOING CONCERN

The Trustees have assessed the Charity's ability to continue as a going concern. This assessment considered the Charity's reserves position, forward-looking cash flow modelling, project commitments, and emerging risks, including inflationary pressures and employment cost increases. As at 31 March 2025, the Charity had a net asset value of £14,098,120 (2024: £13,240,815) and cash at bank of £2,640,060 (2024: 3,581,301).

The Trustees are satisfied that there are no material uncertainties and have concluded that it is appropriate to continue to prepare the financial statements on a going concern basis.

2.3 INCOME

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

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.4 EXPENDITURE (CONTINUED)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

| | |
|---------------------|----------------------------|
| Freehold property | - 50 years straight line |
| Plant and machinery | - 5-10 years straight line |
| Motor vehicles | - 5 years straight line |

2.7 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 CASH AT BANK AND IN HAND

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

2.9 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.10 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 PENSIONS

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.12 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.

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 costs 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.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

| | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|-----------|--|--|---------------------------------------|---------------------------------------|
| Donations | 510 | 550,000 | 550,510 | - |
| Grants | - | 117,752 | 117,752 | - |
| | <u>510</u> | <u>667,752</u> | <u>668,262</u> | <u>-</u> |
| | <u><u>510</u></u> | <u><u>667,752</u></u> | <u><u>668,262</u></u> | <u><u>-</u></u> |

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

4. Income from charitable activities

| | Unrestricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|--|--|---------------------------------------|-----------------------------|
| Rental income from Freeways | 555,864 | 555,864 | 534,996 |
| Rental income from supported living properties | 610,164 | 610,164 | 517,292 |
| | <u>1,166,028</u> | <u>1,166,028</u> | <u>1,052,288</u> |
| TOTAL 2024 | <u>1,052,288</u> | <u>1,052,288</u> | |

5. Income from other trading activities

Income from fundraising events

| | Unrestricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|--------------|--|---------------------------------------|-----------------------------|
| Other income | 47,484 | 47,484 | 30,391 |
| TOTAL 2024 | <u>30,391</u> | <u>30,391</u> | |

6. Investment income

| | Unrestricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|---------------|--|---------------------------------------|-----------------------------|
| Bank interest | 74,966 | 74,966 | 68,938 |
| TOTAL 2024 | <u>68,938</u> | <u>68,938</u> | |

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

7. Analysis of expenditure by activities

| | Activities undertaken directly 2025 £ | Support costs 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|----------------------------|--|---|---------------------------------------|---------------------------------------|
| Provision of care services | 1,077,522 | 21,913 | 1,099,435 | 936,132 |
| | <u>1,077,522</u> | <u>21,913</u> | <u>1,099,435</u> | <u>936,132</u> |
| TOTAL 2024 | <u>914,616</u> | <u>21,516</u> | <u>936,132</u> | |

Analysis of direct costs

| | Total funds 2025 £ | Total funds 2024 £ |
|-----------------------------|---------------------------------------|---------------------------------------|
| Staff costs | 161,200 | 121,550 |
| Depreciation | 319,955 | 311,618 |
| Management charge | 23,152 | 22,602 |
| Legal and professional fees | 72,675 | 73,875 |
| Repairs and maintenance | 290,489 | 236,859 |
| Other property expenses | 205,569 | 148,112 |
| Training costs | 4,482 | - |
| | <u>1,077,522</u> | <u>914,616</u> |

Analysis of support costs

| | Total funds 2025 £ | Total funds 2024 £ |
|------------------|---------------------------------------|---------------------------------------|
| Governance costs | 21,913 | 21,516 |
| | <u>21,913</u> | <u>21,516</u> |

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8. Auditors' remuneration

| | 2025 | 2024 |
|--|--------------|-------|
| | £ | £ |
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | 5,410 | 5,250 |

9. Staff costs

| | 2025 | 2024 |
|-----------------------|----------------|---------|
| | £ | £ |
| Wages and salaries | 134,691 | 99,800 |
| Social security costs | 22,547 | 18,651 |
| Other pension costs | 3,962 | 3,099 |
| | 161,200 | 121,550 |

The average number of persons employed by the Charity during the year was as follows:

| | 2025 | 2024 |
|----------------|-------------|------|
| | No. | No. |
| Administration | 1 | 1 |
| Maintenance | 4 | 5 |
| | 5 | 6 |

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel comprise the Trustees, the Company Secretary and the Strategic Estates Manager. The total employee benefits of the key management personnel of the charity was £89,779 (2024: £32,288). Some of these costs are included in the management charge.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, expenses totalling £Nil were reimbursed or paid directly to 2 Trustees (2024 - £2,008).

During the year, Trustee indemnity insurance was purchased at a cost of £6,580 (2024: £4,760) to cover Trustees, directors and employees.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

11. Tangible fixed assets

| | Freehold property £ | Plant and machinery £ | Motor vehicles £ | Assets under construction £ | Total £ |
|---------------------------|---------------------------|-----------------------------|------------------------|--------------------------------------|-------------------|
| COST OR VALUATION | | | | | |
| At 1 April 2024 | 13,887,219 | 37,200 | 27,360 | 36,824 | 13,988,603 |
| Additions | 839,967 | - | - | 1,126,771 | 1,966,738 |
| Transfers between classes | (312,837) | - | - | 312,837 | - |
| At 31 March 2025 | <u>14,414,349</u> | <u>37,200</u> | <u>27,360</u> | <u>1,476,432</u> | <u>15,955,341</u> |
| DEPRECIATION | | | | | |
| At 1 April 2024 | 4,622,834 | 37,200 | 6,384 | - | 4,666,418 |
| Charge for the year | 314,483 | - | 5,472 | - | 319,955 |
| At 31 March 2025 | <u>4,937,317</u> | <u>37,200</u> | <u>11,856</u> | <u>-</u> | <u>4,986,373</u> |
| NET BOOK VALUE | | | | | |
| At 31 March 2025 | <u>9,477,032</u> | <u>-</u> | <u>15,504</u> | <u>1,476,432</u> | <u>10,968,968</u> |
| At 31 March 2024 | <u>9,264,385</u> | <u>-</u> | <u>20,976</u> | <u>36,824</u> | <u>9,322,185</u> |

There was a depreciation charge of £11,798 to the restricted fund in the year (2024: £9,870) and a net book value at the year-end of £434,280 (2024: £444,150) in relation to charges held by NHS England over a freehold property.

During the year £312,837 was transferred from Freehold Properties to Assets Under Construction to recognise the ongoing work at Orchard Cottage and Whites redevelopment.

Assets under construction relate to the development works ongoing at Orchard Cottage, Whites redevelopment project and Trewartha Park.

The tangible fixed assets are all used to support Freeways Trust activities.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

12. Investment property

| | Freehold investment property £ |
|------------------|---|
| VALUATION | |
| At 1 April 2024 | 364,000 |
| At 31 March 2025 | 364,000 |

Investment property relates to land owned at Leigh Court Farm. The fair value of the land is based on an independent valuation carried out by Nancekivell & Partners in March 2024.

13. Debtors

| | 2025 £ | 2024 £ |
|------------------------------------|-------------------|-------------------|
| TRADE DEBTORS | | |
| Trade debtors | 175,364 | - |
| Amounts owed by group undertakings | 38,936 | - |
| Prepayments and accrued income | 9,582 | 51,805 |
| | 223,882 | 51,805 |

14. Creditors: Amounts falling due within one year

| | 2025 £ | 2024 £ |
|------------------------------------|-------------------|-------------------|
| Trade creditors | 36,737 | 36,378 |
| Other taxation and social security | 5,581 | 4,271 |
| Other creditors | 18,259 | 20,218 |
| Accruals and deferred income | 38,213 | 17,609 |
| | 98,790 | 78,476 |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

15. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2024 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2025 £ |
|--------------------------------------|---------------------------------|------------------|--------------------|--------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | |
| DESIGNATED FUNDS | | | | | |
| Strategic Estate Programme | 1,702,344 | - | - | (1,476,432) | 225,912 |
| GENERAL FUNDS | | | | | |
| Reserves | 11,019,321 | 1,288,988 | (1,087,637) | 1,476,432 | 12,697,104 |
| TOTAL UNRESTRICTED FUNDS | 12,721,665 | 1,288,988 | (1,087,637) | - | 12,923,016 |
| RESTRICTED FUNDS | | | | | |
| NHS Grant | 444,150 | 117,752 | (11,798) | - | 550,104 |
| Orchard Cottage grant | 75,000 | - | - | - | 75,000 |
| Restricted Asset Fund - 4A The Beach | - | 550,000 | - | - | 550,000 |
| | 519,150 | 667,752 | (11,798) | - | 1,175,104 |
| TOTAL OF FUNDS | 13,240,815 | 1,956,740 | (1,099,435) | - | 14,098,120 |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

15. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 April 2023 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 March 2024 £ |
|---------------------------------|---------------------------------|------------------|------------------|-------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | |
| DESIGNATED FUNDS | | | | | |
| Strategic Estate Programme | 1,702,344 | - | - | - | 1,702,344 |
| GENERAL FUNDS | | | | | |
| General Funds | 10,767,466 | 1,151,617 | (926,262) | 26,500 | 11,019,321 |
| TOTAL UNRESTRICTED FUNDS | 12,469,810 | 1,151,617 | (926,262) | 26,500 | 12,721,665 |
| RESTRICTED FUNDS | | | | | |
| NHS Grant | 454,020 | - | (9,870) | - | 444,150 |
| Orchard Cottage grant | 75,000 | - | - | - | 75,000 |
| | 529,020 | - | (9,870) | - | 519,150 |
| TOTAL OF FUNDS | 12,998,830 | 1,151,617 | (936,132) | 26,500 | 13,240,815 |

Strategic Estate Programme - The Trustees gave designated funds to implement the programme of estate improvements and replacements planned to take place over the next 7 to 10 years.

NHS Grant - a capital grant from NHS England for use in providing supported living accommodation for people with a learning disability.

Orchard Cottage Grant - a capital grant from BNSSG ICB for use in providing and improving specialist supported living accommodation for people with a learning disability.

4A The Beach - a residential property gifted to support the delivery of supported living accommodation for adults with a learning disability.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

16. Summary of funds

Summary of funds - current year

| | Balance at 1 April 2024 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2025 £ |
|------------------|---------------------------------|------------------|--------------------|--------------------------|-------------------------------------|
| Designated funds | 1,702,344 | - | - | (1,476,432) | 225,912 |
| General funds | 11,019,321 | 1,288,988 | (1,087,637) | 1,476,432 | 12,697,104 |
| Restricted funds | 519,150 | 667,752 | (11,798) | - | 1,175,104 |
| | <u>13,240,815</u> | <u>1,956,740</u> | <u>(1,099,435)</u> | <u>-</u> | <u>14,098,120</u> |

Summary of funds - prior year

| | Balance at 1 April 2023 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 March 2024 £ |
|------------------|---------------------------------|------------------|------------------|-------------------------|-------------------------------------|
| Designated funds | 1,702,344 | - | - | - | 1,702,344 |
| General funds | 10,767,466 | 1,151,617 | (926,262) | 26,500 | 11,019,321 |
| Restricted funds | 529,020 | - | (9,870) | - | 519,150 |
| | <u>12,998,830</u> | <u>1,151,617</u> | <u>(936,132)</u> | <u>26,500</u> | <u>13,240,815</u> |

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total funds 2025 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 9,832,040 | 1,136,928 | 10,968,968 |
| Investment property | 364,000 | - | 364,000 |
| Current assets | 2,825,766 | 38,176 | 2,863,942 |
| Creditors due within one year | (98,790) | - | (98,790) |
| TOTAL | <u>12,923,016</u> | <u>1,175,104</u> | <u>14,098,120</u> |

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 8,841,211 | 480,974 | 9,322,185 |
| Investment property | 364,000 | - | 364,000 |
| Current assets | 3,594,930 | 38,176 | 3,633,106 |
| Creditors due within one year | (78,476) | - | (78,476) |
| TOTAL | <u>12,721,665</u> | <u>519,150</u> | <u>13,240,815</u> |

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

| | 2025 £ | 2024 £ |
|--|----------------|----------------|
| Net income for the year (as per Statement of Financial Activities) | <u>857,305</u> | <u>241,985</u> |
| ADJUSTMENTS FOR: | | |
| Depreciation charges | 319,955 | 311,618 |
| Interest received | (74,966) | (68,938) |
| (Increase)/decrease in debtors | (172,077) | 18,745 |
| Increase/(decrease) in creditors | 20,314 | (3,554) |
| Revaluation of investment property | - | (26,500) |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | <u>950,531</u> | <u>473,356</u> |

19. Analysis of cash and cash equivalents

| | 2025 £ | 2024 £ |
|--|------------------|------------------|
| Cash in hand | <u>2,640,060</u> | <u>3,581,301</u> |
| TOTAL CASH AND CASH EQUIVALENTS | <u>2,640,060</u> | <u>3,581,301</u> |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

20. Analysis of changes in net debt

| | At 1 April 2024 | Cash flows | At 31 March 2025 |
|--------------------------|--------------------|------------------|---------------------|
| | £ | £ | £ |
| Cash at bank and in hand | <u>3,581,301</u> | <u>(941,241)</u> | <u>2,640,060</u> |

21. Contingent liabilities

There is a contingent liability in respect of the capital grant of £493,500 from NHS England to provide accommodation for people with learning disabilities. Should Freeways Trust cease to provide this accommodation or an agreed alternative then the grant would be repayable based on the current value of the property and the original proportion funded by the grant.

22. Related party transactions

The majority of the Trustees are also the Trustees of Freeways, a charitable company that provides residential, supported living and day care services for persons with learning disabilities. Freeways leases some of the charity's properties and paid £555,864 (2024: £534,996) to the charity in the year ended 31 March 2025.

Freeways Trust paid £17,046 (2024: £2,801) to Freeways and received £52,450 (2024: £54,756) in respect of management charges during the year. At the year end, Freeways Trust was owed £38,936 (2024: owed £3,171) by Freeways. This balance is included within debtors (2024: creditors).

FREEWAYS TRUST

England & Wales - Charity number 1102216

Accounts

Registered number: 05026647
Charity number: 1102216

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

| | Page |
|---|---------|
| Reference and Administrative Details of the Charity, its Trustees and Advisers | 1 |
| Trustees' Report | 2 - 4 |
| Trustees' Responsibilities Statement | 5 |
| Independent Auditors' Report on the Financial Statements | 6 - 9 |
| Statement of Financial Activities | 10 |
| Balance Sheet | 11 |
| Statement of Cash Flows | 12 |
| Notes to the Financial Statements | 13 - 24 |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

| | |
|----------------------------------|---|
| Trustees | F S Morton C C Britton D Y Pincott B E Sawyer N J Morgan |
| Company registered number | 05026647 |
| Charity registered number | 1102216 |
| Registered office | Leigh Court Day Centre Pill Road Abbots Leigh Bristol BS8 3RA |
| Company secretary | R L Burkinshaw |
| Independent auditors | Bishop Fleming LLP Chartered Accountants 10 Temple Back Bristol BS1 6FL |
| Bankers | Barclays Bank plc 86 Queens Road Clifton Bristol BS8 1RB |
| Solicitors | Burges Salmon LLP One Glass Wharf Bristol BS2 0ZX |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

The Trustees (who are also the directors of the charity for the purpose of the Companies Act) present their annual report together with the audited financial statements of Freeways Trust (the charity) for the year ended 31 March 2024. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2026 (Strategic Report and Directors' Report) Regulations 2013 is not needed.

Freeway Trust's charitable purpose is enshrined in its objects "to promote the education and training (including social and physical) and the care and relief of mentally handicapped persons or persons suffering from mental illness or other disorder of the mind by the establishment or acquisition, maintenance and operation of residential houses and hostels and training centres for such persons".

The Trustees ensure that this purpose is carried out for the public benefit by delivering the provision of high quality properties to Freeways (Charity no. 298603 – a charity undertaking to provide direct support to adults with learning disabilities) for use as facilities for residential homes, supported living properties or as day care and therapeutic facilities for people with learning disabilities; and also directly to adults with learning disabilities for supported living.

The Trustees confirm that they have complied with the duty to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

Structure, Governance and Management

Freeways Trust is a company limited by guarantee (Registered no. 5026647) registered in England and Wales and a registered charity (Registered no. 1102216). The company is limited by guarantee having no share capital. In the event of the company being wound up every member undertakes to contribute to the assets of the company up to an amount not exceeding £1.

Freeways Trust was established in December 1987 under a deed of Trust as a registered charity. From 1 April 2004, the activities of the charity were incorporated. The governing document is the Memorandum and Articles of Association of the company and members of the Board of Trustees are the Directors of the company.

The Trustees have delegated day to day finance management of the charity to the Company Secretary. In addition, the Trustees have appointed a Strategic Estate Manager to lead the preparation and implementation of an estates strategy and also report on the performance of the charity against strategic plans set and agreed by the Trustees. The Trustees meet bi-monthly.

During the year, there were no changes to the Trustees appointed to the Freeways Trust Board. New Trustees invited to join the Board are selected on the basis of their experience and skills. Trustees are encouraged to attend appropriate external training events where these would facilitate the understanding of their role.

A separate charity, Freeways (Charity no. 298603), mainly has common Trustees to Freeways Trust, but is not under common control and both organisations have similar charitable objects. A small number of staff work across both organisations in a shared office space at Leigh Court.

All Trustees give of their time freely and none receive remuneration or other benefit for their work with the Charity. Trustees are required to disclose all relevant interests and register them with the Company Secretary and any connection between a Trustee and a related party of other organisation with which the charity co-operates is disclosed in the same way as any other contractual relationship with a related party.

Details of Trustee expenditure and related party transactions are disclosed in note 17 of the financial statements.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Risk Management

The Board of Trustees has reviewed during the year an assessment of the risks to which the charity is exposed. Risks are identified in four key areas as follows: governance, property management, financial management and external factors.

The review looked at the key risks around Freeways Trust's ability to deliver its strategy. The review reduced or removed the risks associated with COVID-19 and also reduced the retained risk relating to the vacancies within the supported living properties following the introduction and implementation of the risk-sharing arrangements between the Trust and Freeways.

Key Management Personnel remuneration

The Trustees consider the Board of Trustees, the Company Secretary and the Strategic Estate Manager to comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis.

The pay of the Company Secretary and Strategic Estate Manager is reviewed annually and can be increased in accordance with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other charities of a similar size and also take into account sector experience.

Activities in the year

Strategic Estate Programme

During 2023-24 work has continued in relation to the proposed re-development of Whites House in Bristol. The Trustees considered the reviewed business case for the capital project, including the recommended contractor for works, and the project was approved in March 2024. Significant work was undertaken in regards to the contractual obligations between Freeways Trust and Network Rail and the required BAPA (Basic Asset Protection Agreement) between the two organisations was signed by both parties post year-end.

At the request of the Trustees, further work is being carried out in relation to Trewartha Park in Weston-Super-Mare, including an options review to be prepared by both the Trust and Freeways before final submission to the Freeways Trust Board.

Provision of care facilities

During the year, Freeways Trust continued to lease 7 residential homes, which can accommodate 74 persons, as well as the Head Office, Day Centre and Hydrotherapy pool to Freeways for its operations in delivering services to adults with learning disabilities. The Trust also leased 8 supported living properties, accommodating up to 41 persons, to individual tenants. All properties are geographically spread over Bristol, North Somerset, South Gloucestershire and Bath & North East Somerset.

Repairs and maintenance

The Charity is committed to improving the standard of all existing properties and the cyclical repairs and maintenance programme completed a number of planned and reactive maintenance works during the year.

Considerable additional works were needed to ensure that Underhay House met CQC requirements to move the Whites cohort into it ahead of the commencement of the redevelopment project.

Freeways Trust continues to provide regular maintenance to 4A The Beach as part of an SLA with the owners of the property.

Investment Policy

The funds available to Freeways Trust are intended for the purchase of new, or improvement to existing properties, so Trustees do not consider it prudent to invest monies on a long-term basis. The policy to invest surplus cash in short-term deposits from one week to up to twelve months has been followed during the financial year and Treasury deposits made on behalf of the Trust.

Reserves Policy

The current policy is to continue to build cash reserves in order to finance future development projects which are part of the Strategic Estates Programme. In 2019 the Trustees designated £3,250,000 to fund the Strategic

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Estate Programme over the next 7 to 10 years and at 31 March 2024 this fund was £1,702,344 (2023: £1,702,344). At 31 March 2024, the general reserves were £11,019,321 (2023: £10,767,466) and restricted reserves were £519,150 (2023: £529,020). The total free reserves, being general reserves not tied up in fixed assets or investment property, were £1,814,110.

The Trustees will continue to review the policy on a regular basis and amend it accordingly dependent on strategic plans and key risks to which the charity is exposed.

Plans for 2024-25 and beyond

The Charity plans to continue activities in line with its objects and the estate strategy in particular in relation to the redevelopment works at Whites House, which it is hoped will complete in late 2025. Existing properties in use will continue to be maintained in-line with the repairs and maintenance programme. A review of the estate strategy will be undertaken in conjunction with Freeways to ensure that the Trust's plans align with the strategic direction of Freeways.

Financial Review

A surplus of £225,355 was generated on unrestricted funds in 2023-24 (2022-23: £234,839). In addition, a deficit of £9,870 was generated on restricted funds in 2023-24 (2022-23: deficit £9,870) arising from depreciation charged on the asset part-funded by the grant received from NHS England in a previous year.

Going Concern

Freeways Trust endeavoured to complete as much of the necessary planned repairs and maintenance work during the year as possible. The impact of the cost of living crisis felt in 2022-23 lessened in 2023-24, although Freeways Trust did experience the impact of rising inflation on the construction cost pre-tender estimates for both Whites House and Trewartha Park.

The Trustees considered the level of reserves held, the cash held in Treasury deposits and the cash-flow of the charity and determined that no significant risk to the long-term viability of Freeways Trust has been identified.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:



F S Morton
Chair



C C Britton
Trustee

Date: 25th September 2024

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FREEWAYS TRUST

Opinion

We have audited the financial statements of Freeways Trust (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FREEWAYS TRUST (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FREEWAYS TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and trustees in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity.

In additions, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Review of board minutes;
- Enquiring of management in relation to actual and potential claims and litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, specifically grants, with a particular focus around year-end cut off;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.

We also communicated identified laws and regulations and potential fraud risks to all engagement team

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FREEWAYS TRUST (CONTINUED)

members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in the financial statements or non-compliance with laws and regulations, will not be detected by us. The risk increases the further removed compliance with a law or regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Butler FCA DChA
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 27 November 2024

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024

| | Note | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|---|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Charitable activities | 3 | 1,052,288 | - | 1,052,288 | 1,007,841 |
| Other trading activities | 4 | 30,391 | - | 30,391 | 114,922 |
| Investments | 5 | 68,938 | - | 68,938 | 13,376 |
| Total income | | 1,151,617 | - | 1,151,617 | 1,136,139 |
| Expenditure on: | | | | | |
| Charitable activities | | 926,262 | 9,870 | 936,132 | 836,170 |
| Total expenditure | | 926,262 | 9,870 | 936,132 | 836,170 |
| Net income/(expenditure) before net gains on investments | | 225,355 | (9,870) | 215,485 | 299,969 |
| Net gains on investments | | 26,500 | - | 26,500 | - |
| Net movement in funds | | 251,855 | (9,870) | 241,985 | 299,969 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 12,469,810 | 529,020 | 12,998,830 | 12,698,861 |
| Net movement in funds | | 251,855 | (9,870) | 241,985 | 299,969 |
| Total funds carried forward | | 12,721,665 | 519,150 | 13,240,815 | 12,998,830 |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:05026647**

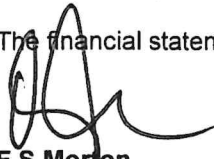
**BALANCE SHEET
AS AT 31 MARCH 2024**


| | Note | 2024 £ | 2023 £ |
|--|------|---------------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 10 | 9,322,185 | 9,323,623 |
| Investment property | 11 | 364,000 | 337,500 |
| | | <u>9,686,185</u> | <u>9,661,123</u> |
| Current assets | | | |
| Debtors | 12 | 51,805 | 70,550 |
| Cash at bank and in hand | | 3,581,301 | 3,349,187 |
| | | <u>3,633,106</u> | <u>3,419,737</u> |
| Creditors: amounts falling due within one year | 13 | (78,476) | (82,030) |
| Net current assets | | <u>3,554,630</u> | <u>3,337,707</u> |
| Total net assets | | <u><u>13,240,815</u></u> | <u><u>12,998,830</u></u> |
| Charity funds | | | |
| Restricted funds | 14 | 519,150 | 529,020 |
| Unrestricted funds | | | |
| Designated funds | 14 | 1,702,344 | 1,702,344 |
| General funds | 14 | 11,019,321 | 10,767,466 |
| Total unrestricted funds | 14 | <u>12,721,665</u> | <u>12,469,810</u> |
| Total funds | | <u><u>13,240,815</u></u> | <u><u>12,998,830</u></u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


F S Morton
Chair


C C Britton
Trustee

Date: 25th September 2024

The notes on pages 13 to 24 form part of these financial statements.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

| | 2024 | 2023 |
|---|------------------|------------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net cash used in operating activities | 473,356 | 522,041 |
| Cash flows from investing activities | | |
| Interest received | 68,938 | 13,376 |
| Purchase of tangible fixed assets | (310,180) | (285,689) |
| Net cash used in investing activities | (241,242) | (272,313) |
| Cash flows from financing activities | | |
| Net cash provided by financing activities | - | - |
| Change in cash and cash equivalents in the year | 232,114 | 249,728 |
| Cash and cash equivalents at the beginning of the year | 3,349,187 | 3,099,459 |
| Cash and cash equivalents at the end of the year | 3,581,301 | 3,349,187 |

The notes on pages 13 to 24 form part of these financial statements

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. General information

Freeways Trust is a private company limited by guarantee, incorporated in England and Wales, with the registered company number 5026647 and the registered charity number 1102216. The charity's registered office is Leigh Court Day Centre, Pill Road, Abbots Leigh, Bristol, BS8 3RA.

2. Accounting policies

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Freeways Trust 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.

2.2 GOING CONCERN

The Trustees consider that there are no material uncertainties about Freeway Trust's ability to continue as a going concern based on the ongoing cashflows of the charity. Rental payments continue to be received from both Freeways and for tenants in supported living accommodation.

2.3 INCOME

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

| | |
|---------------------|----------------------------|
| Freehold property | - 50 years straight line |
| Plant and machinery | - 5-10 years straight line |
| Motor vehicles | - 5 years straight line |

2.7 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 CASH AT BANK AND IN HAND

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

2.9 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 PENSIONS

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)

2.12 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.

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 costs 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.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from charitable activities

| | Unrestricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|--|--|---------------------------------------|-----------------------------|
| Rental income from Freeways | 534,996 | 534,996 | 509,520 |
| Rental income from supported living properties | 517,292 | 517,292 | 498,321 |
| | <u>1,052,288</u> | <u>1,052,288</u> | <u>1,007,841</u> |
| TOTAL 2023 | <u>1,007,841</u> | <u>1,007,841</u> | |

4. Income from other trading activities

Income from fundraising events

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|--------------|--|--|---------------------------------------|-----------------------------|
| Other income | 30,391 | - | 30,391 | 114,922 |
| TOTAL 2023 | <u>39,922</u> | <u>75,000</u> | <u>114,922</u> | |

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

5. Investment income

| | Unrestricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|---------------|--|---------------------------------------|---------------------------------------|
| Bank interest | 68,938 | 68,938 | 13,376 |
| TOTAL 2023 | 13,376 | 13,376 | |

6. Analysis of expenditure by activities

| | Activities undertaken directly 2024 £ | Support costs 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|----------------------------|--|---|---------------------------------------|---------------------------------------|
| Provision of care services | 914,616 | 21,516 | 936,132 | 836,170 |
| TOTAL 2023 | 821,438 | 14,732 | 836,170 | |

Analysis of direct costs

| | Total funds 2024 £ | Total funds 2023 £ |
|--------------------------------------|---------------------------------------|---------------------------------------|
| Staff costs | 121,550 | 118,072 |
| Depreciation | 311,618 | 298,954 |
| Management charge | 22,602 | 11,603 |
| Legal and professional fees | 73,875 | 41,523 |
| Repairs and maintenance | 236,859 | 186,875 |
| Other property expenses | 148,112 | 151,810 |
| Loss on the disposal of fixed assets | - | 12,601 |
| | 914,616 | 821,438 |

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

6. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Total funds 2024 £ | Total funds 2023 £ |
|------------------|---------------------------------------|---------------------------------------|
| Governance costs | 21,516 | 14,732 |

7. Auditors' remuneration

| | 2024 £ | 2023 £ |
|--|-------------------|-------------------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | 5,250 | 5,000 |

8. Staff costs

| | 2024 £ | 2023 £ |
|-----------------------|-------------------|-------------------|
| Wages and salaries | 99,800 | 97,754 |
| Social security costs | 18,651 | 17,644 |
| Other pension costs | 3,099 | 2,674 |
| | 121,550 | 118,072 |

The average number of persons employed by the Charity during the year was as follows:

| | 2024 No. | 2023 No. |
|----------------|---------------------|---------------------|
| Administration | 1 | 1 |
| Maintenance | 5 | 5 |
| | 6 | 6 |

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel comprise the Trustees, the Company Secretary and the Strategic Estates Manager. The total employee benefits of the key management personnel of the charity was £32,288 (2023: £67,506). Some of these costs are included in the management charge.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, expenses totalling £2,008 were reimbursed or paid directly to 2 Trustees (2023 - £NIL).

During the year, Trustee indemnity insurance was purchased at a cost of £4,760 (2023: £4,760) to cover Trustees, directors and employees.

10. Tangible fixed assets

| | Freehold property £ | Plant and machinery £ | Motor vehicles £ | Assets under construction £ | Total £ |
|--------------------------|---------------------------|-----------------------------|------------------------|--------------------------------------|-------------------------|
| COST OR VALUATION | | | | | |
| At 1 April 2023 | 13,577,039 | 37,200 | 27,360 | 36,824 | 13,678,423 |
| Additions | 310,180 | - | - | - | 310,180 |
| At 31 March 2024 | <u>13,887,219</u> | <u>37,200</u> | <u>27,360</u> | <u>36,824</u> | <u>13,988,603</u> |
| DEPRECIATION | | | | | |
| At 1 April 2023 | 4,316,688 | 37,200 | 912 | - | 4,354,800 |
| Charge for the year | 306,146 | - | 5,472 | - | 311,618 |
| At 31 March 2024 | <u>4,622,834</u> | <u>37,200</u> | <u>6,384</u> | <u>-</u> | <u>4,666,418</u> |
| NET BOOK VALUE | | | | | |
| At 31 March 2024 | <u><u>9,264,385</u></u> | <u><u>-</u></u> | <u><u>20,976</u></u> | <u><u>36,824</u></u> | <u><u>9,322,185</u></u> |
| At 31 March 2023 | <u><u>9,260,351</u></u> | <u><u>-</u></u> | <u><u>26,448</u></u> | <u><u>36,824</u></u> | <u><u>9,323,623</u></u> |

There was a depreciation charge of £9,870 to the restricted fund in the year (2023: £9,870) and a net book value at the year end of £444,150 (2023: £454,020) in relation to charges held by NHS England over a freehold property.

Assets under construction relate to the development works ongoing at Orchard Cottage.

The tangible fixed assets are all used to support Freeways Trust activities.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

11. Investment property

| | Freehold investment property £ |
|------------------------|---|
| VALUATION | |
| At 1 April 2023 | 337,500 |
| Surplus on revaluation | 26,500 |
| | <hr/> |
| At 31 March 2024 | 364,000 |
| | <hr/> <hr/> |

Investment property relates to land owned at Leigh Court Farm. The fair value of the land is based on an independent valuation carried out by Nancekivell & Partners in March 2024.

12. Debtors

| | 2024 £ | 2023 £ |
|--------------------------------|-------------------|-------------------|
| DUE WITHIN ONE YEAR | | |
| Other debtors | - | 3,494 |
| Prepayments and accrued income | 51,805 | 67,056 |
| | <hr/> | <hr/> |
| | 51,805 | 70,550 |
| | <hr/> <hr/> | <hr/> <hr/> |

13. Creditors: Amounts falling due within one year

| | 2024 £ | 2023 £ |
|------------------------------------|-------------------|-------------------|
| Trade creditors | 36,378 | 52,517 |
| Other taxation and social security | 4,271 | 4,329 |
| Other creditors | 20,218 | 16,071 |
| Accruals and deferred income | 17,609 | 9,113 |
| | <hr/> | <hr/> |
| | 78,476 | 82,030 |
| | <hr/> <hr/> | <hr/> <hr/> |

Deferred income for 2024 was £Nil (2023: £39,664). The amounts deferred at 31 March 2023 will be recognised in the 2023/24 financial year. Deferred income relates to rental income received in advance and a contribution towards the cost of adaptations at Orchard Cottage.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

14. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2023 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 March 2024 £ |
|---------------------------------|---------------------------------|------------------|------------------|-------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | |
| DESIGNATED FUNDS | | | | | |
| Strategic Estate Programme | 1,702,344 | - | - | - | 1,702,344 |
| GENERAL FUNDS | | | | | |
| General Funds | 10,767,466 | 1,151,617 | (926,262) | 26,500 | 11,019,321 |
| TOTAL UNRESTRICTED FUNDS | 12,469,810 | 1,151,617 | (926,262) | 26,500 | 12,721,665 |
| RESTRICTED FUNDS | | | | | |
| NHS Grant | 454,020 | - | (9,870) | - | 444,150 |
| Orchard Cottage grant | 75,000 | - | - | - | 75,000 |
| | 529,020 | - | (9,870) | - | 519,150 |
| TOTAL OF FUNDS | 12,998,830 | 1,151,617 | (936,132) | 26,500 | 13,240,815 |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Balance at 31 March 2023 £ |
|---------------------------------|---------------------------------|------------------|------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | |
| DESIGNATED FUNDS | | | | |
| Strategic Estate Programme | 1,702,344 | - | - | 1,702,344 |
| GENERAL FUNDS | | | | |
| General Funds | 10,532,627 | 1,061,139 | (826,300) | 10,767,466 |
| TOTAL UNRESTRICTED FUNDS | 12,234,971 | 1,061,139 | (826,300) | 12,469,810 |
| RESTRICTED FUNDS | | | | |
| NHS Grant | 463,890 | - | (9,870) | 454,020 |
| Orchard Cottage grant | - | 75,000 | - | 75,000 |
| | 463,890 | 75,000 | (9,870) | 529,020 |
| TOTAL OF FUNDS | 12,698,861 | 1,136,139 | (836,170) | 12,998,830 |

Strategic Estate Programme - The Trustees gave designated funds to implement the programme of estate improvements and replacements planned to take place over the next 7 to 10 years.

NHS Grant - a capital grant from NHS England for use in providing supported living accommodation for people with a learning disability.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

15. Summary of funds

Summary of funds - current year

| | Balance at 1 April 2023 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 March 2024 £ |
|------------------|---------------------------------|------------------|------------------|-------------------------|-------------------------------------|
| Designated funds | 1,702,344 | - | - | - | 1,702,344 |
| General funds | 10,767,466 | 1,151,617 | (926,262) | 26,500 | 11,019,321 |
| Restricted funds | 529,020 | - | (9,870) | - | 519,150 |
| | <u>12,998,830</u> | <u>1,151,617</u> | <u>(936,132)</u> | <u>26,500</u> | <u>13,240,815</u> |

Summary of funds - prior year

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Balance at 31 March 2023 £ |
|------------------|---------------------------------|------------------|------------------|-------------------------------------|
| Designated funds | 1,702,344 | - | - | 1,702,344 |
| General funds | 10,532,627 | 1,061,139 | (826,300) | 10,767,466 |
| Restricted funds | 463,890 | 75,000 | (9,870) | 529,020 |
| | <u>12,698,861</u> | <u>1,136,139</u> | <u>(836,170)</u> | <u>12,998,830</u> |

16. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 8,841,211 | 480,974 | 9,322,185 |
| Investment property | 364,000 | - | 364,000 |
| Current assets | 3,594,930 | 38,176 | 3,633,106 |
| Creditors due within one year | (78,476) | - | (78,476) |
| TOTAL | <u>12,721,665</u> | <u>519,150</u> | <u>13,240,815</u> |

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 8,832,779 | 490,844 | 9,323,623 |
| Investment property | 337,500 | - | 337,500 |
| Current assets | 3,381,561 | 38,176 | 3,419,737 |
| Creditors due within one year | (82,030) | - | (82,030) |
| | <u>12,469,810</u> | <u>529,020</u> | <u>12,998,830</u> |
| TOTAL | | | |

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

| | 2024 £ | 2023 £ |
|--|----------------|----------------|
| Net income for the period (as per Statement of Financial Activities) | <u>241,985</u> | <u>299,969</u> |
| ADJUSTMENTS FOR: | | |
| Depreciation charges | 311,618 | 298,954 |
| Interest received | (68,938) | (13,376) |
| Loss on the sale of fixed assets | - | 12,601 |
| Decrease/(increase) in debtors | 18,745 | (10,820) |
| Decrease in creditors | (3,554) | (65,287) |
| Revaluation of investment property | (26,500) | - |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | <u>473,356</u> | <u>522,041</u> |

18. Analysis of cash and cash equivalents

| | 2024 £ | 2023 £ |
|--|------------------|------------------|
| Cash in hand | <u>3,581,301</u> | <u>3,349,187</u> |
| TOTAL CASH AND CASH EQUIVALENTS | <u>3,581,301</u> | <u>3,349,187</u> |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

19. Analysis of changes in net debt

| | At 1 April 2023 | Cash flows | At 31 March 2024 |
|--------------------------|--------------------|----------------|---------------------|
| | £ | £ | £ |
| Cash at bank and in hand | <u>3,349,187</u> | <u>232,114</u> | <u>3,581,301</u> |

20. Contingent liabilities

There is a contingent liability in respect of the capital grant of £493,500 from NHS England to provide accommodation for people with learning disabilities. Should Freeways Trust cease to provide this accommodation or an agreed alternative then the grant would be repayable based on the current value of the property and the original proportion funded by the grant.

21. Related party transactions

The majority of the Trustees are also the Trustees of Freeways, a charitable company that provides residential, supported living and day care services for persons with learning disabilities. Freeways leases some of the charity's properties and paid £534,996 (2023: £509,520) to the charity in the year ended 31 March 2024.

Freeways Trust paid £2,801 (2023: £Nil) to Freeways and received £54,756 (2023: £53,587) in respect of management charges during the year. At the year end, Freeways Trust owed £3,171 (2023: £3,494) to Freeways. This balance is included within creditors (2023: debtors).

FREEWAYS TRUST

England & Wales - Charity number 1102216

Accounts

Registered number: 05026647
Charity number: 1102216

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

| | Page |
|---|---------|
| Reference and administrative details of the Charity, its Trustees and advisers | 1 |
| Trustees' report | 2 - 4 |
| Trustees' responsibilities statement | 5 |
| Independent auditors' report on the financial statements | 6 - 9 |
| Statement of financial activities | 10 |
| Balance sheet | 11 |
| Statement of cash flows | 12 |
| Notes to the financial statements | 13 - 25 |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

| | |
|----------------------------------|---|
| Trustees | F S Morton C C Britton D Y Pincott B E Sawyer N J Morgan |
| Company registered number | 05026647 |
| Charity registered number | 1102216 |
| Registered office | Leigh Court Day Centre Pill Road Abbots Leigh Bristol BS8 3RA |
| Company secretary | R L Burkinshaw |
| Chief executive officer | Claire Hayward |
| Independent auditors | Bishop Fleming LLP Chartered Accountants 10 Temple Back Bristol BS1 6FL |
| Bankers | Barclays Bank plc 86 Queens Road Clifton Bristol BS8 1RB |
| Solicitors | Burges Salmon LLP One Glass Wharf Bristol BS2 0ZX |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees (who are also the directors of the charity for the purpose of the Companies Act) present their annual report together with the audited financial statements of Freeways Trust (the charity) for the year ended 31 March 2023. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2026 (Strategic Report and Directors' Report) Regulations 2013 is not needed.

Freeway Trust's charitable purpose is enshrined in its objects "to promote the education and training (including social and physical) and the care and relief of mentally handicapped persons or persons suffering from mental illness or other disorder of the mind by the establishment or acquisition, maintenance and operation of residential houses and hostels and training centres for such persons".

The Trustees ensure that this purpose is carried out for the public benefit by delivering the provision of high quality properties to Freeways (Charity no. 298603 – a charity undertaking to provide direct support to adults with learning disabilities) for use as facilities for residential homes, supported living properties or as day care and therapeutic facilities for people with learning disabilities; and also directly to adults with learning disabilities for supported living.

The Trustees confirm that they have complied with the duty to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

Structure, Governance and Management

Freeways Trust is a company limited by guarantee (Registered no. 5026647) registered in England and Wales and a registered charity (Registered no. 1102216). The company is limited by guarantee having no share capital. In the event of the company being wound up every member undertakes to contribute to the assets of the company up to an amount not exceeding £1.

Freeways Trust was established in December 1987 under a deed of Trust as a registered charity. From 1 April 2004, the activities of the charity were incorporated. The governing document is the Memorandum and Articles of Association of the company and members of the Board of Trustees are the Directors of the company.

The Trustees have delegated day to day finance management of the charity to the Company Secretary. In addition, the Trustees have appointed a Strategic Estate Manager to lead the preparation and implementation of an estates strategy and also report on the performance of the charity against strategic plans set and agreed by the Trustees. The Trustees meet bi-monthly.

During the year, there were no changes to the Trustees appointed to the Freeways Trust Board. New Trustees invited to join the Board are selected on the basis of their experience and skills. Trustees are encouraged to attend appropriate external training events where these would facilitate the understanding of their role.

A separate charity, Freeways (Charity no. 298603), mainly has common Trustees to Freeways Trust, but is not under common control and both organisations have similar charitable objects. A small number of staff work across both organisations in a shared office space at Leigh Court.

All Trustees give of their time freely and none receive remuneration or other benefit for their work with the Charity. Trustees are required to disclose all relevant interests and register them with the Company Secretary and any connection between a Trustee and a related party of other organisations with which the charity operates is disclosed in the same way as any other contractual relationship with a related party.

Details of Trustee expenditure and related party transactions are disclosed in note 10 of the financial statements.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Risk Management

The Board of Trustees has reviewed during the year an assessment of the risks to which the charity is exposed. Risks are identified in four key areas as follows: governance, property management, financial management and external factors.

The review looked at the key risks around Freeways Trust's ability to deliver its strategy. The review reduced or removed the risks associated with COVID-19 and also reduced the retained risk relating to the vacancies within the supported living properties following the introduction and implementation of the risk-sharing arrangements between the Trust and Freeways.

Key Management Personnel remuneration

The Trustees consider the Board of Trustees, the Company Secretary and the Strategic Estate Manager to comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis.

The pay of the Company Secretary and Strategic Estate Manager is reviewed annually and can be increased in accordance with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other charities of a similar size and also take into account sector experience.

Activities in the year

Strategic Estate Programme

Work has been carried out in 2022-23 in relation to the re-development of both Whites House in Bristol and Trewartha Park in Weston-Super-Mare. Business cases have been developed for both capital projects and independent VAT advice sought where appropriate. Detailed design plans continue to be developed and shared with the Board and it is intended that the tenders for the projects will be issued during 2023-24.

Provision of care facilities

During the year, Freeways Trust continued to lease 7 residential homes, which can accommodate 74 persons, as well as the Head Office, Day Centre and Hydrotherapy pool to Freeways for its operations in delivering services to adults with learning disabilities. The Trust also leased 9 supported living properties, accommodating up to 49 persons, to individual tenants. All properties are geographically spread over Bristol, North Somerset, South Gloucestershire and Bath & North East Somerset.

Repairs and maintenance

The Charity is committed to improving the standard of all existing properties and the cyclical repairs and maintenance programme continued to redress delayed works caused by COVID-19 in prior years with both reactive and planned maintenance being completed. All works carried out continued to enable Freeways to operate within properties suitably adapted for adults with learning disabilities and provided Freeways service users with properties they can enjoy living in. Freeways Trust also provides regular maintenance to 4A The Beach as part of an SLA with the owners of the property.

Investment Policy

The funds available to Freeways Trust are intended for the purchase of new, or improvement in existing properties, so Trustees do not consider it prudent to invest monies on a long-term basis. The policy is to invest surplus cash in short-term deposits from one week to up to twelve months. During the year short-term deposit opportunities in Treasury deposits became available to the Trust once again and were taken for the second half of the financial year.

Reserves Policy

The current policy is to continue to build cash reserves in order to finance future development projects which are part of the Strategic Estates Programme. In 2019 the Trustees designated £3,250,000 to fund the Strategic Estate Programme over the next 7 to 10 years and at 31 March 2023 this fund was £1,702,344 (2022: £1,702,344). At 31 March 2023, the general reserves were £10,767,466 (2022: £10,532,627) and restricted reserves were £529,020 (2022: £463,890). The total free reserves were £12,469,810.

The Trustees will continue to review the policy on a regular basis and amend it accordingly dependent on strategic plans and key risks to which the charity is exposed.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Plans for 2023-24 and beyond

The Charity plans to continue activities in line with its objects and the estate strategy. The redevelopment works at Whites House and Trewartha Park will be continued during the year and it is hoped that the projects will be completed in 2025. Existing properties in use will continue to be maintained in-line with the repairs and maintenance programme.

Financial Review

A surplus of £234,839 was generated on unrestricted funds in 2022-23 (2021-22: £304,588). In addition, a deficit (of £9,870) was generated on restricted funds in 2022-23 (2021-22: deficit £(9,870)) arising from depreciation charged on the asset part-funded by the grant received from NHS England in a previous year.

Going Concern

Following the relaxation of the COVID-19 regulations during the year, Freeways Trust has endeavoured to carry out as much of the planned repairs and maintenance work during the year as possible. Income levels during the year remained stable, although some impact was felt from rising inflation and the cost of living crisis experienced across the UK during 2022-23.

The Trustees considered the level of reserves held, the cash held in Treasury deposits and the cash-flow of the charity and determined that no significant risk to the long-term viability of Freeways Trust has been identified.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:


F S Morton
Chair


C C Britton
Trustee

Date: 26 SEPTEMBER 2023

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2023**

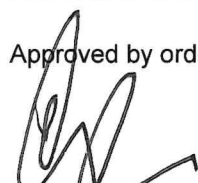
The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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.

Approved by order of the members of the board of Trustees and signed on its behalf by:



F S Morton
Chair



C C Britton
Trustee

Date: 26 SEPTEMBER 2023

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FREEWAYS TRUST

Opinion

We have audited the financial statements of Freeways Trust (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, 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 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FREEWAYS TRUST (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FREEWAYS TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and trustees in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity.

In additions, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Review of board minutes;
- Enquiring of management in relation to actual and potential claims and litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, specifically grants, with a particular focus around year-end cut off;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.

We also communicated identified laws and regulations and potential fraud risks to all engagement team

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FREEWAYS TRUST (CONTINUED)

members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in the financial statements or non-compliance with laws and regulations, will not be detected by us. The risk increases the further removed compliance with a law or regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Butler FCA DChA
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 6 December 2023

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

| | Note | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------------------------------|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | - | - | - | 2 |
| Charitable activities | 4 | 1,007,841 | - | 1,007,841 | 930,749 |
| Other trading activities | 5 | 39,922 | 75,000 | 114,922 | 24,878 |
| Investments | 6 | 13,376 | - | 13,376 | 415 |
| Total income | | 1,061,139 | 75,000 | 1,136,139 | 956,044 |
| Expenditure on: | | | | | |
| Charitable activities | | 826,300 | 9,870 | 836,170 | 661,326 |
| Total expenditure | | 826,300 | 9,870 | 836,170 | 661,326 |
| Net movement in funds | | 234,839 | 65,130 | 299,969 | 294,718 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 12,234,971 | 463,890 | 12,698,861 | 12,404,143 |
| Net movement in funds | | 234,839 | 65,130 | 299,969 | 294,718 |
| Total funds carried forward | | 12,469,810 | 529,020 | 12,998,830 | 12,698,861 |

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:05026647

BALANCE SHEET
AS AT 31 MARCH 2023

| | Note | 2023 £ | 2022 £ |
|--|------|--------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 11 | 9,323,623 | 9,349,489 |
| Investment property | 12 | 337,500 | 337,500 |
| | | <u>9,661,123</u> | <u>9,686,989</u> |
| Current assets | | | |
| Debtors | 13 | 70,550 | 59,730 |
| Cash at bank and in hand | | 3,349,187 | 3,099,459 |
| | | <u>3,419,737</u> | <u>3,159,189</u> |
| Creditors: amounts falling due within one year | 14 | (82,030) | (147,317) |
| Net current assets | | <u>3,337,707</u> | <u>3,011,872</u> |
| Total net assets | | <u><u>12,998,830</u></u> | <u><u>12,698,861</u></u> |
| Charity funds | | | |
| Restricted funds | 15 | 529,020 | 463,890 |
| Unrestricted funds | | | |
| Designated funds | 15 | 1,702,344 | 1,702,344 |
| General funds | 15 | 10,767,466 | 10,532,627 |
| | | <u>12,469,810</u> | <u>12,234,971</u> |
| Total funds | | <u><u>12,998,830</u></u> | <u><u>12,698,861</u></u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

F S Morton
Chair

Date:

all
26 September 2023

cc Britton
C C Britton
Trustee

The notes on pages 13 to 25 form part of these financial statements.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

| | 2023 £ | 2022 £ |
|---|------------------|--------------------|
| Cash flows from operating activities | | |
| Net cash used in operating activities | 522,041 | 663,669 |
| | <hr/> | <hr/> |
| Cash flows from investing activities | | |
| Interest received | 13,376 | 415 |
| Purchase of tangible fixed assets | (285,689) | (1,062,012) |
| | <hr/> | <hr/> |
| Net cash used in investing activities | (272,313) | (1,061,597) |
| | <hr/> | <hr/> |
| Cash flows from financing activities | | |
| | <hr/> | <hr/> |
| Net cash provided by financing activities | - | - |
| | <hr/> | <hr/> |
| Change in cash and cash equivalents in the year | 249,728 | (397,928) |
| Cash and cash equivalents at the beginning of the year | 3,099,459 | 3,497,387 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at the end of the year | 3,349,187 | 3,099,459 |
| | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 13 to 25 form part of these financial statements

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. General information

Freeways Trust is a private company limited by guarantee, incorporated in England and Wales, with the registered company number 5026647 and the registered charity number 1102216. The charity's registered office is Leigh Court Day Centre, Pill Road, Abbots Leigh, Bristol, BS8 3RA.

2. Accounting policies

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Freeways Trust 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.

2.2 GOING CONCERN

The Trustees consider that there are no material uncertainties about Freeway Trust's ability to continue as a going concern based on the ongoing cashflows of the charity. Rental payments continue to be received from both Freeways and for tenants in supported living accommodation.

2.3 INCOME

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2. Accounting policies (continued)

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

| | |
|---------------------|----------------------------|
| Freehold property | - 50 years straight line |
| Plant and machinery | - 5-10 years straight line |
| Motor vehicles | - 5 years straight line |

2.7 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 CASH AT BANK AND IN HAND

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

2.9 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.10 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 PENSIONS

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.12 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.

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 costs 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.

Investment income, gains and losses are allocated to the appropriate fund.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3. Income from donations and legacies

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------|--|---------------------------------------|---------------------------------------|
| Donations | - | - | 2 |
| | <u> </u> | <u> </u> | <u> </u> |
| TOTAL 2022 | <u> </u> 2 | <u> </u> 2 | |

4. Income from charitable activities

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--|--|---------------------------------------|---------------------------------------|
| Rental income from Freeways | 509,520 | 509,520 | 463,920 |
| Rental income from supported living properties | 498,321 | 498,321 | 466,829 |
| | <u> </u> | <u> </u> | <u> </u> |
| | 1,007,841 | 1,007,841 | 930,749 |
| | <u> </u> | <u> </u> | <u> </u> |
| TOTAL 2022 | <u> </u> 930,749 | <u> </u> 930,749 | |

5. Income from other trading activities

Income from fundraising events

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--------------|--|--|---------------------------------------|---------------------------------------|
| Other income | 39,922 | 75,000 | 114,922 | 24,878 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| TOTAL 2022 | <u> </u> 24,878 | <u> </u> - | <u> </u> 24,878 | |

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

6. Investment income

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---------------|--|---------------------------------------|---------------------------------------|
| Bank interest | 13,376 | 13,376 | 415 |
| TOTAL 2022 | 415 | 415 | |

7. Analysis of expenditure by activities

| | Activities undertaken directly 2023 £ | Support costs 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|----------------------------|--|---|---------------------------------------|---------------------------------------|
| Provision of care services | 821,438 | 14,732 | 836,170 | 661,326 |
| | 821,438 | 14,732 | 836,170 | 661,326 |
| TOTAL 2022 | 646,984 | 14,342 | 661,326 | |

Analysis of direct costs

| | Total funds 2023 £ | Total funds 2022 £ |
|--------------------------------------|---------------------------------------|---------------------------------------|
| Staff costs | 118,072 | 104,441 |
| Depreciation | 298,954 | 275,974 |
| Management charge | 11,603 | 7,769 |
| Legal and professional fees | 41,523 | 30,305 |
| Repairs and maintenance | 186,875 | 149,444 |
| Other property expenses | 151,810 | 79,051 |
| Loss on the disposal of fixed assets | 12,601 | - |
| | 821,438 | 646,984 |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Total funds 2023 £ | Total funds 2022 £ |
|------------------|---------------------------------------|-----------------------------|
| Governance costs | <u>14,732</u> | <u>14,342</u> |

8. Auditors' remuneration

| | 2023 £ | 2022 £ |
|--|---------------------|--------------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | <u>5,000</u> | <u>5,700</u> |

9. Staff costs

| | 2023 £ | 2022 £ |
|-----------------------|-----------------------|----------------|
| Wages and salaries | 97,754 | 89,760 |
| Social security costs | 17,644 | 12,485 |
| Other pension costs | 2,674 | 2,196 |
| | <u>118,072</u> | <u>104,441</u> |

The average number of persons employed by the Charity during the year was as follows:

| | 2023 No. | 2022 No. |
|----------------|---------------------|-------------|
| Administration | 3 | 3 |
| Maintenance | 1 | 1 |
| | <u>4</u> | <u>4</u> |

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel comprise the Trustees, the Company Secretary and the Strategic Estates Manager. The total employee benefits of the key management personnel of the charity was £67,506 (2022: £64,350). Some of these costs are included in the management charge.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

During the year, Trustee indemnity insurance was purchased at a cost of £4,760 (2022: £5,313) to cover Trustees, directors and employees.

11. Tangible fixed assets

| | Freehold property £ | Plant and machinery £ | Motor vehicles £ | Assets under construction £ | Total £ |
|--------------------------|---------------------------|-----------------------------|------------------------|--------------------------------------|-------------------|
| COST OR VALUATION | | | | | |
| At 1 April 2022 | 13,355,534 | 37,200 | 17,118 | - | 13,409,852 |
| Additions | 221,505 | - | 27,360 | 36,824 | 285,689 |
| Disposals | - | - | (17,118) | - | (17,118) |
| At 31 March 2023 | <u>13,577,039</u> | <u>37,200</u> | <u>27,360</u> | <u>36,824</u> | <u>13,678,423</u> |
| DEPRECIATION | | | | | |
| At 1 April 2022 | 4,021,166 | 37,200 | 1,997 | - | 4,060,363 |
| Charge for the year | 295,522 | - | 3,432 | - | 298,954 |
| On disposals | - | - | (4,517) | - | (4,517) |
| At 31 March 2023 | <u>4,316,688</u> | <u>37,200</u> | <u>912</u> | <u>-</u> | <u>4,354,800</u> |
| NET BOOK VALUE | | | | | |
| At 31 March 2023 | <u>9,260,351</u> | <u>-</u> | <u>26,448</u> | <u>36,824</u> | <u>9,323,623</u> |
| At 31 March 2022 | <u>9,334,368</u> | <u>-</u> | <u>15,121</u> | <u>-</u> | <u>9,349,489</u> |

There was a depreciation charge of £9,870 to the restricted fund in the year (2022: £9,870) and a net book value at the year end of £454,020 (2022: £463,890) in relation to charges held by NHS England over a freehold property.

Assets under construction relate to the development works ongoing at Orchard Cottage.

The tangible fixed assets are all used to support Freeways Trust activities.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

12. Investment property

| | Freehold investment property £ |
|------------------|---|
| VALUATION | |
| At 1 April 2022 | 337,500 |
| At 31 March 2023 | 337,500 |

Investment property relates to land owned at Leigh Court Farm. The fair value of the land is based on an independent valuation carried out by David James & Partners in June 2019.

13. Debtors

| | 2023 £ | 2022 £ |
|------------------------------------|-------------------|-------------------|
| DUE WITHIN ONE YEAR | | |
| Amounts owed by group undertakings | - | - |
| Other debtors | 3,494 | - |
| Prepayments and accrued income | 67,056 | 59,730 |
| | 70,550 | 59,730 |

14. Creditors: Amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------------|-------------------|-------------------|
| Trade creditors | 52,517 | 40,007 |
| Other taxation and social security | 4,329 | 4,652 |
| Other creditors | 16,071 | - |
| Accruals and deferred income | 9,113 | 102,658 |
| | 82,030 | 147,317 |

Deferred income for 2023 was £39,664 (2022: £76,488). The amounts deferred at 31 March 2023 will be recognised in the 2023/24 financial year. Deferred income relates to rental income received in advance and a contribution towards the cost of adaptations at Orchard Cottage.

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2023 £ |
|-------------------------------------|--|---------------------|--------------------------|-----------------------------------|---|
| UNRESTRICTED FUNDS | | | | | |
| DESIGNATED FUNDS | | | | | |
| Strategic Estate Programme | 1,702,344 | - | - | - | 1,702,344 |
| GENERAL FUNDS | | | | | |
| General Funds | 10,532,627 | 1,061,139 | (826,300) | - | 10,767,466 |
| TOTAL UNRESTRICTED FUNDS | 12,234,971 | 1,061,139 | (826,300) | - | 12,469,810 |
| RESTRICTED FUNDS | | | | | |
| NHS Grant | 463,890 | - | (9,870) | - | 454,020 |
| Orchard Cottage grant | - | 75,000 | - | - | 75,000 |
| | 463,890 | 75,000 | (9,870) | - | 529,020 |
| TOTAL OF FUNDS | 12,698,861 | 1,136,139 | (836,170) | - | 12,998,830 |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2022 £ |
|---------------------------------|---------------------------------|----------------|------------------|--------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | |
| DESIGNATED FUNDS | | | | | |
| Strategic Estate Programme | 2,502,251 | - | - | (799,907) | 1,702,344 |
| GENERAL FUNDS | | | | | |
| General Funds | 9,428,132 | 956,044 | (651,456) | 799,907 | 10,532,627 |
| TOTAL UNRESTRICTED FUNDS | 11,930,383 | 956,044 | (651,456) | - | 12,234,971 |
| RESTRICTED FUNDS | | | | | |
| NHS Grant | 473,760 | - | (9,870) | - | 463,890 |
| Orchard Cottage grant | - | - | - | - | - |
| | 473,760 | - | (9,870) | - | 463,890 |
| TOTAL OF FUNDS | 12,404,143 | 956,044 | (661,326) | - | 12,698,861 |

Strategic Estate Programme - The Trustees gave designated funds to implement the programme of estate improvements and replacements planned to take place over the next 7 to 10 years.

NHS Grant - a capital grant from NHS England for use in providing supported living accommodation for people with a learning disability.

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. Summary of funds

Summary of funds - current year

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Balance at 31 March 2023 £ |
|------------------|---------------------------------|------------------|------------------|-------------------------------------|
| Designated funds | 1,702,344 | - | - | 1,702,344 |
| General funds | 10,532,627 | 1,061,139 | (826,300) | 10,767,466 |
| Restricted funds | 463,890 | 75,000 | (9,870) | 529,020 |
| | <u>12,698,861</u> | <u>1,136,139</u> | <u>(836,170)</u> | <u>12,998,830</u> |

Summary of funds - prior year

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2022 £ |
|------------------|---------------------------------|----------------|------------------|--------------------------|-------------------------------------|
| Designated funds | 2,502,251 | - | - | (799,907) | 1,702,344 |
| General funds | 9,428,132 | 956,044 | (651,456) | 799,907 | 10,532,627 |
| Restricted funds | 473,760 | - | (9,870) | - | 463,890 |
| | <u>12,404,143</u> | <u>956,044</u> | <u>(661,326)</u> | <u>-</u> | <u>12,698,861</u> |

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 8,832,779 | 490,844 | 9,323,623 |
| Investment property | 337,500 | - | 337,500 |
| Current assets | 3,381,561 | 38,176 | 3,419,737 |
| Creditors due within one year | (82,030) | - | (82,030) |
| TOTAL | <u>12,469,810</u> | <u>529,020</u> | <u>12,998,830</u> |

FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 8,885,599 | 463,890 | 9,349,489 |
| Investment property | 337,500 | - | 337,500 |
| Current assets | 3,159,189 | - | 3,159,189 |
| Creditors due within one year | (147,317) | - | (147,317) |
| TOTAL | <u>12,234,971</u> | <u>463,890</u> | <u>12,698,861</u> |

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

| | 2023 £ | 2022 £ |
|--|----------------|----------------|
| Net income for the year (as per Statement of Financial Activities) | <u>299,969</u> | <u>294,718</u> |
| ADJUSTMENTS FOR: | | |
| Depreciation charges | 298,954 | 275,974 |
| Interest received | (13,376) | (415) |
| Loss on the sale of fixed assets | 12,601 | - |
| Decrease/(increase) in debtors | (10,820) | 2,009 |
| Increase/(decrease) in creditors | (65,287) | 91,383 |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | <u>522,041</u> | <u>663,669</u> |

19. Analysis of cash and cash equivalents

| | 2023 £ | 2022 £ |
|--|------------------|------------------|
| Cash in hand | <u>3,349,187</u> | <u>3,099,459</u> |
| TOTAL CASH AND CASH EQUIVALENTS | <u>3,349,187</u> | <u>3,099,459</u> |

**FREEWAYS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Analysis of changes in net debt

| | At 1 April 2022 | Cash flows | At 31 March 2023 |
|--------------------------|--------------------|------------|---------------------|
| | £ | £ | £ |
| Cash at bank and in hand | 3,099,459 | 249,728 | 3,349,187 |

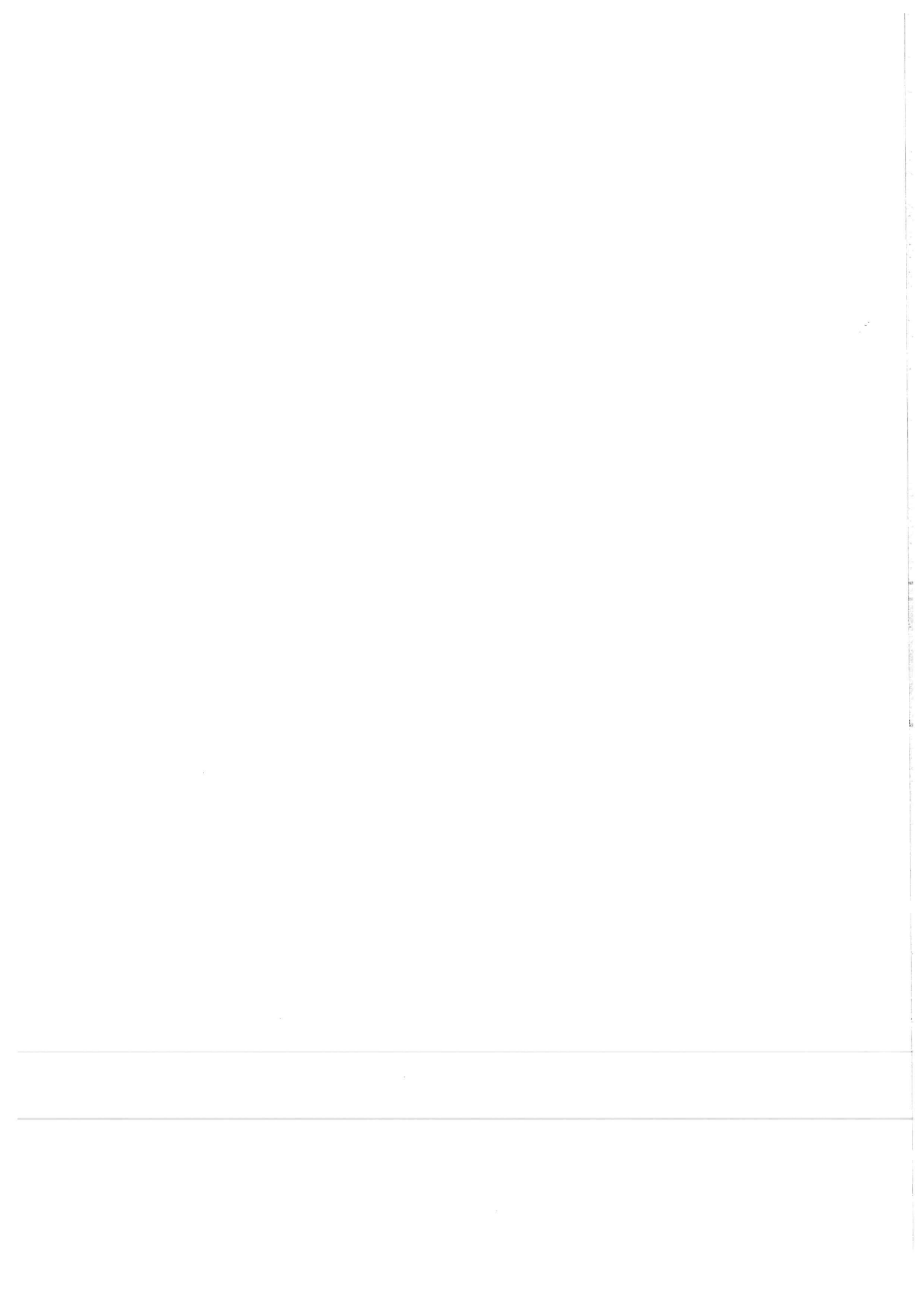
21. Contingent liabilities

There is a contingent liability in respect of the capital grant of £493,500 from NHS England to provide accommodation for people with learning disabilities. Should Freeways Trust cease to provide this accommodation or an agreed alternative then the grant would be repayable based on the current value of the property and the original proportion funded be the grant.

22. Related party transactions

The majority of the Trustees are also the Trustees of Freeways, a charitable company that provides residential, supported living and day care services for persons with learning disabilities. Freeways leases some of the charity's properties and paid £509,520 (2022: £463,920) to the charity in the year ended 31 March 2023.

Freeways Trust paid £Nil (2022: £11,098) to Freeways and received £53,587 (2022: £39,820) in respect of management charges during the year. At the year end, Freeways Trust was owed £3,494 (2022: £3,239) by Freeways. This balance is included within trade debtors (2022: trade creditors).



FREEWAYS TRUST

England & Wales - Charity number 1102216

Accounts

Registered Charity Number: 1102216

Freeways Trust

Registered number: 5026647

Trustees' report and financial statements

For the year ended 31 March 2022

FREEWAYS TRUST
(A Company Limited by Guarantee)

CONTENTS

| | |
|---|----------------|
| Reference and Administrative Details | 1 |
| Report of the Board of Trustees | 2 - 6 |
| Independent Auditors' report | 7 - 11 |
| Statement of Financial Activities | 12 |
| Balance Sheet | 13 |
| Cash Flow Statement | 14 |
| Notes to the Financial Statements | 15 - 26 |

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS
FOR THE YEAR ENDED MARCH 2022

| | |
|----------------------------------|---|
| Trustees | F S Morton C C Britton Dr L B Cooke (resigned 21 September 2021) P J Laszlo (resigned 21 September 2021) Mrs D Y Pincott B E Sawyer N J Morgan (appointed 14 June 2021) |
| Company registered number | 05026647 1102216 |
| Registered office | Leigh Court Day Centre Pill Road Abbots Leigh Bristol BS8 3RA |
| Company secretary | David Slack (resigned 10 March 2022) Rachel Burkinshaw (appointed 17 March 2022) |
| Independent auditors | Mazars LLP Chartered Accountants 90 Victoria Street Bristol BS1 6DP |
| Bankers | Barclays Bank Plc 86 Queens Road Clifton Bristol BS8 1RB |
| Solicitors | Burges Salmon LLP One Glass Wharf Bristol BS2 0ZX |

REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED MARCH 2022

The Trustees (who are also the directors of the charity for the purpose of the Companies Act) present their annual report together with the audited financial statements of Freeways Trust (the charity) for the year ended 31 March 2022. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not needed.

Freeways Trust's charitable purpose is enshrined in its objects 'to promote the education and training (including social and physical) and the care and relief of mentally handicapped persons or persons suffering from mental illness or other disorder of the mind by the establishment or acquisition, maintenance and operation of residential houses and hostels and training centres for such persons'.

The Trustees ensure that this purpose is carried out for the public benefit by delivering the provision of high quality properties to Freeways (Charity no. 298603 - a charity undertaking to provide direct support to adults with learning disabilities) for use as facilities for residential homes, supported living properties or as day care and therapeutic facilities for people with learning disabilities; and also directly to adult with learning disabilities for supported living.

The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Structure, Governance and Management

Freeways Trust is a company limited by guarantee (Registered no. 5026647) registered in England and Wales and a registered charity (Registered no. 1102216). The company is limited by guarantee having no share capital. In the event of the company being wound up every member undertakes to contribute to the assets of the company up to an amount not exceeding £1.

Freeways Trust was established in December 1987 under a deed of trust as a registered charity. From 1 April 2004 the activities of the charity were incorporated. The governing document is the Memorandum and Articles of Association of the company and members of the Board of Trustees are the Directors of the company.

The Trustees have delegated day to day finance management of the charity to the Company Secretary. In addition, the Trustees have appointed a Strategic Estates Manager to lead the preparation and implementation of an estates strategy and also report on the performance of the charity against strategic plans set and agreed by the Trustees. The Trustees meet bi-monthly.

During the year, one new Trustee was appointed to the Freeways Trust Board and two Trustees resigned. New Trustees invited to join the Board are selected on the basis of their experience and skills. Due to the

REPORT OF THE BOARD OF TRUSTEES (continued)
FOR THE YEAR ENDED MARCH 2022

COVID-19 pandemic, visits to a number of homes have continued to not be arranged in the usual manner and the induction process carried out virtually instead. Trustees are encouraged to attend appropriate external training events where these would facilitate the understanding of their role.

A separate charity, Freeways (Charity no. 298603), mainly has common Trustees to Freeways Trust, but is not under common control and both organisations have similar charitable objects.

None of the Trustees receives remuneration or other benefit for their work with the charity. Any connection between a Trustee and a related party or other organisation with which the charity co-operates is disclosed in the same way as any other contractual relationship with a related party.

Risk Management

The Board of Trustees has reviewed during the year an assessment of the risks to which the charity is exposed. The review looked at the key risks around Freeways Trust's ability to deliver its strategy. The review identified that additional risks in relation to COVID-19 existed for the organisation during the year and concluded that the control environment continues to be sufficiently robust.

Risks are identified against four key areas as follows: governance, property management, financial management and external factors. The most significant risks facing the charity identified during the current year relate to external factors including the COVID-19 infection risk as maintenance staff travel between multiple sites.

Key Management Personnel remuneration

The Trustees consider the Board of Trustees, the Company Secretary, the Strategic Estate Manager and the Head of Finance to comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis.

All Trustees give of their time freely and none of the Trustees received remuneration in the past financial year. Trustees are required to disclose all relevant interests and register them with the Company Secretary. Details of Trustee expenditure and related party transactions are disclosed in note 17 of the financial statements.

The pay of the Company Secretary and Strategic Estate Manager is reviewed annually and can be increased in accordance with average earnings. In view of the nature of the charity, the Trustees' benchmark against pay levels in other charities of a similar size and also take into account sector experience. The remuneration bench-mark is the mid-point of the range paid for similar roles.

Activities in the year

Strategic Estate Programme

The Estate Strategy for Freeways Trust was agreed in November 2018 and work carried out during 2021-22 has been performed in line with this plan. The building work for the conversion of Morley House into six one bedroom supported living flats, including an accessible and adapted flat was completed in May.

REPORT OF THE BOARD OF TRUSTEES (continued)
FOR THE YEAR ENDED MARCH 2022

Following discussions with Bristol City Council, the re-development of Whites House has been agreed and design plans for the site shared with the Board. In March 2022, Freeways Trust completed the purchase of a property at Trewartha Park in Weston-Super-Mare and an initial business case for the re-development of the site presented to the Board.

Provision of care facilities

During the year, Freeways Trust leased 16 properties (including the Head Office and Day Centre), geographically spread over Bristol, North Somerset, South Gloucestershire and Bath & North East Somerset. The residential homes are leased to Freeways for its operations in delivering services to adults with learning disabilities. Supported living accommodation is leased to individual tenants. The 7 registered residential homes can accommodate 74 persons and the 9 supported living properties can accommodate 49 persons.

Repairs and maintenance

The Charity is committed to improving the standard of all existing properties and the cyclical repairs and maintenance programme continued to be affected by COVID-19 during the year. However, some easing in restrictions has allowed both reactive and planned maintenance to be completed. All works carried out continued to enable Freeways to operate within properties suitably adapted for adults with learning disabilities and provided Freeways service users with properties that they enjoyed living within. Freeways Trust also provides regular maintenance to 4A The Beach as part of an SLA with the owners of the property.

Capital projects

The building works in relation to Morley House were completed in May 2021. Preliminary site surveys and design works relating to the re-development of Whites House have been undertaken and the Charity was successful in purchasing a new site in Trewartha Park in Weston-Super-Mare at the end of the year.

Investment policy

The funds available to Freeways Trust are intended for the purchase of new or improvement in existing properties so Trustees do not consider it prudent to invest monies on a long term basis. The policy is to invest surplus cash in short term deposits from one week to twelve months. The plan to diversify where these funds are held continues to be delayed due to low interest rates during the year and no short term deposit opportunities being available to the Trust.

Reserves policy

The current policy is to continue to build cash reserves in order to finance future development projects which are part of the Strategic Estate Programme. In 2019 the Trustees designated £3,250,000 to fund the Strategic Estate Programme over the next 7 to 10 years and at 31 March 2022, this fund was £1,702,344 (2021: £2,502,251). At 31 March 2022 the general reserves were £10,532,627 (2021: £9,412,532) and restricted reserves were £463,890 (2021: £473,760). The total free reserves

REPORT OF THE BOARD OF TRUSTEES (continued)
FOR THE YEAR ENDED MARCH 2022

were £1,397,115. The Trustees will continue to review the policy on a regular basis and amend it accordingly dependent on strategic plans and key risks to which the charity is exposed.

Plans for 2022-23 and beyond

The Charity plans to continue activities in line with its objects and the estate strategy. Existing properties in use will continue to be maintained in line with the repairs and maintenance programme.

Financial Review

A surplus of £304,588 was generated on unrestricted funds in 2021-22 (2020-21: £543,116). In addition a deficit of £(9,870) was generated on restricted funds in 2020-21 (2020-21: deficit £(9,870)) arising from depreciation charged on the asset part funded by the grant received from NHS England in the previous year.

COVID-19

During the year, and due to the pandemic measures in place, it was not possible for Freeways Trust to carry out all of the planned repairs and maintenance work during the year, although some were completed. A little over 50% of the charity's income is rent received from Freeways, which is funded by local authorities, who continue to require that services are provided and have provided increased funding and grants to cover additional costs incurred due to the pandemic. There has been an impact on the trading activities relating to the Hydrotherapy pool which continued to be affected by the restrictions in place, but there are no longer-term issues anticipated. In consideration of this position and the level of reserves held by the charity, no significant risk to the long-term viability of the charity has been identified.

Trustees responsibilities statement

The Trustees (who are also directors of Freeways Trust for the purpose of the company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

REPORT OF THE BOARD OF TRUSTEES (continued)
FOR THE YEAR ENDED MARCH 2022

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.

Provision of Information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- each Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charity's auditors in connection with preparing their report and to establish that the auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

This report was approved by the Trustees on Nov 10, 2022 and signed on their behalf by:



Franklin morton (Nov 10, 2022 13:30 GMT)

F S Morton
Chair



Cc Britton (Nov 10, 2022 15:11 GMT)

CC Britton
Trustee

INDEPENDENT AUDITORS' REPORT TO THE Trustees OF FREEWAYS TRUST
FOR THE YEAR ENDED MARCH 2022

Opinion

We have audited the financial statements of Freeways Trust (the 'charity') for the year ended 31 March 2022, 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 FRS 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 charity's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our audit procedures to evaluate the Trustees' assessment of the Charity's ability to continue to adopt the going concern basis of accounting included, but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern;
- Obtaining an understanding of the relevant controls relating to the Trustees' going concern assessment;
- Evaluating the Trustees' method to assess the Charity's ability to continue as a going concern;

INDEPENDENT AUDITORS' REPORT TO THE Trustees OF FREEWAYS TRUST
FOR THE YEAR ENDED MARCH 2022

- Reviewing the Trustees' going concern assessment, which incorporated severe but plausible scenarios;
- Evaluating the key assumptions used and judgements applied by the Trustees in forming their conclusions about going concern; and
- Reviewing the appropriateness of the Trustees' disclosures in the financial statements.

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

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

Other information

The other information comprises the information included in the Trustees' annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 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.

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

INDEPENDENT AUDITORS' REPORT TO THE Trustees OF FREEWAYS TRUST
FOR THE YEAR ENDED MARCH 2022

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specific 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 5, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 misstatements, 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.

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

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.

INDEPENDENT AUDITORS' REPORT TO THE Trustees OF FREEWAYS TRUST
FOR THE YEAR ENDED MARCH 2022

Based on our understanding of Freeways Trust and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instance of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the Companies Act 2006 and the Charity's SORP 2015.

In addition, we evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as

INDEPENDENT AUDITORS' REPORT TO THE Trustees OF FREEWAYS TRUST
FOR THE YEAR ENDED MARCH 2022

these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the 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 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:



[Jonathan Marchant \(Nov 10, 2022 16:57 GMT\)](#)

Name:

Jonathan Marchant (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street, Bristol BS1 6 DP

Date: Nov 10, 2022

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022 (incorporating the Income & Expenditure Account)

| | Note | Unrestricted | Restricted | Total funds | Total funds |
|--|------|-------------------|----------------|-------------------|-------------------|
| | | funds | fund | 2022 | 2021 |
| Income | | 2022 | 2022 | 2022 | 2021 |
| | | £ | £ | £ | £ |
| Donations and Grants | 2 | 2 | - | 2 | 5,153 |
| Income from charitable activities | 3 | 930,749 | - | 930,749 | 873,474 |
| Other trading activities | | 24,878 | - | 24,878 | 26,682 |
| Investment income | | 415 | - | 415 | 196 |
| Total Income | | 956,044 | - | 956,044 | 905,505 |
| Expenditure on charitable activities | 4 | 651,456 | 9,870 | 661,326 | 645,989 |
| Total Expenditure | | 651,456 | 9,870 | 661,326 | 645,989 |
| Net income before investment gains/(losses) | | 304,588 | (9,870) | 294,718 | 259,516 |
| Net gains on investments | 9 | - | - | - | 293,470 |
| Net income for the year and net movement in funds | | 304,588 | (9,870) | 294,718 | 552,986 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 11,930,383 | 473,760 | 12,404,143 | 11,851,157 |
| Total funds carried forward | | 12,234,971 | 463,890 | 12,698,861 | 12,404,143 |

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

All activities relate to continuing operations.

The notes on pages 14 to 25 form part of these financial statements.

BALANCE SHEET
AS AT 31 MARCH 2022

| | Note | £ | 2022 £ | £ | 2021 £ |
|---|------|------------------|-------------------|------------------|-------------------|
| Fixed assets | | | | | |
| Tangible assets | 8 | | 9,349,489 | | 8,563,451 |
| Investment Properties | 9 | | 337,500 | | 337,500 |
| | | | <u>9,686,989</u> | | <u>8,900,951</u> |
| Current assets | | | | | |
| Debtors | 10 | 59,730 | | 61,739 | |
| Cash at bank | | <u>3,099,459</u> | | <u>3,497,386</u> | |
| | | 3,159,189 | | 3,559,125 | |
| Creditors: amounts falling due within one year | 11 | <u>(147,316)</u> | | <u>(55,933)</u> | |
| Net current assets | | | <u>3,011,873</u> | | <u>3,503,192</u> |
| Net assets | | | <u>12,698,862</u> | | <u>12,404,143</u> |
| Funds | | | | | |
| Restricted fund | 12 | | 463,890 | | 473,760 |
| Unrestricted funds | | | <u>12,234,971</u> | | <u>11,930,383</u> |
| | | | <u>12,698,861</u> | | <u>12,404,143</u> |

The financial statements were approved by the Trustees on Nov 10, 2022 and signed on their behalf by:



Franklin Morton (Nov 10, 2022 13:30 GMT)

F S Morton
 Chair



Cc Britton (Nov 10, 2022 15:11 GMT)

CC Britton
 Trustee

FREEWAYS TRUST
(A Company Limited by Guarantee)

14

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

| | | 2022 | 2021 |
|--|-------------|--------------------|------------------|
| | Note | £ | £ |
| Net cash flow from operating activities | 14 | 663,669 | 467,791 |
| Cash flows from investing activities | | | |
| Interest received | | 415 | 196 |
| Purchase of tangible fixed assets | | (1,062,012) | (776,987) |
| Transfer of tangible fixed assets to investment properties | | - | 44,030 |
| Cash (used in) investing activities | | <u>(1,061,597)</u> | <u>(732,761)</u> |
| Decrease in cash and cash equivalents in the year | | <u>(397,928)</u> | <u>(264,970)</u> |
| Cash and cash equivalents at the beginning of the year | | 3,497,386 | 3,762,356 |
| Total cash and cash equivalents at the end of the year | | 3,099,459 | 3,497,386 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2022

1. Accounting Policies

The accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a. General information

Freeways Trust is a private company limited by guarantee, incorporated in England and Wales, with the registered company number 5026647 and the registered charity number 1102216. The charity's registered office is Leigh Court Day Centre, Pill Road, Abbots Leigh, Bristol, BS8 3RA.

b. Statement of compliance

The individual financial statements of Freeways Trust have been prepared in accordance with Financial Reporting Standard 102 and Companies Act 2006.

c. Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

No significant judgements have had to be made by management in preparing these financial statements.

Freeways Trust 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).

d. Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about Freeway Trust's ability to continue as a going concern based on the ongoing cashflows of the charity. Rental payments continue to be received from both Freeways and for tenants in support living accommodation.

e. Fund accounting

General funds are unrestricted funds available for use at the discretion of the trustees in the furtherance of the charitable objectives of Freeways Trust and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside for particular purposes. The restricted funds is to be used in accordance with the specific restrictions imposed by the donor. The aim and use of each designated and restricted fund is set out in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2022

1. Accounting Policies (continued)

f. Income

All income is accounted for as soon as Freeways Trust has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably. Rental income is accounted for in the year to which it applies. Rental income received during a year which relates to a subsequent financial accounting period is carried forward as a creditor on the balance sheet and shown as deferred rental income.

g. Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and is classified under headings that aggregate all the costs related to the activity. Where costs cannot be directly attributed to the particular activities they are allocated on a basis consistent with the use of the resources.

Direct costs, including directly attributable salaries, depreciation and repairs and maintenance costs are allocated on an actual basis to the activity.

Support costs consist of governance costs only.

Governance costs include the costs of governance arrangements which relate to the general running of the charity. These activities provide the governance infrastructure which allows the charity to operate and to generate the information required for public accountability. They include the strategic planning processes that contribute to future development of the charity.

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

h. Tangible fixed assets and depreciation

In accordance with FRS 102 Section 16.3A any property held primarily for the provision of social benefit shall not be classed as investment property and shall be accounted for as property, plant or machinery.

Freeways Trust has elected not to adopt a policy of revaluation of its property, plant or machinery. Accordingly, it has retained the book value of land and buildings previously revalued at March 1999 and will not update that valuation. Properties acquired in years subsequent to the valuation are included at their purchase cost, together with any incidental costs of acquisition. Since April 2018 investment in property improvement, refurbishment and new building have been capitalised at cost to their major components and each component depreciated over its useful life.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2022

1. Accounting Policies (continued)

h. Tangible fixed assets and depreciation (continued)

Property, plant or machinery (costing £10,000 or more per individual item) are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the asset, less their estimated residual value, over their expected useful lives on the following bases:

| | |
|---------------------|---------------|
| Freehold property | 50 years |
| Property components | 7 to 25 years |
| Other equipment | 5 to 10 years |
| Motor Vehicles | 5 years |

i. Investments and Investment Properties

Investments are stated at fair market value at the balance sheet date in accordance with the SORP. Realised and unrealised gains are included in the Statement of Financial Activities.

Investment properties are properties which are held either to earn rental income or held for capital appreciation or for both. They are held at fair value in accordance with the SORP and are revalued every 5 years by an experienced independent valuer. Realised and unrealised gains and losses are included in the Statement of Financial Activities.

j. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k. Cash at bank and in hand

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

l. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligations can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m. Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2022

financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. Donations and Grants

| | Unrestricted funds 2022 £ | Restricted fund 2022 £ | Total funds 2022 £ |
|-----------|--|---|-----------------------------------|
| Donations | 2 | - | 2 |
| | <u>2</u> | <u>-</u> | <u>2</u> |

| | Unrestricted funds 2021 £ | Restricted fund 2021 £ | Total funds 2021 £ |
|-----------|--|---|-----------------------------------|
| Donations | 5,153 | - | - |
| | <u>5,153</u> | <u>-</u> | <u>-</u> |

3. Income from charitable activities

| | Unrestricted funds 2022 £ | Restricted fund 2022 £ | Total funds 2022 £ |
|--|--|---|-----------------------------------|
| Rental income from Freeways | 463,920 | - | 463,920 |
| Rental income from supported living properties | 466,829 | - | 466,829 |
| | <u>930,749</u> | <u>-</u> | <u>930,749</u> |

| | Unrestricted funds 2021 £ | Restricted fund 2021 £ | Total funds 2021 £ |
|-------------------------------------|--|---|-----------------------------------|
| Rental income from Freeways | 467,602 | - | 467,602 |
| Rental income from supported living | 405,872 | - | 405,872 |
| | <u>873,474</u> | <u>-</u> | <u>873,474</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2022

4. a. Charitable activities - provision of care services

| | Unrestricted funds 2022 £ | Restricted fund 2022 £ | Total funds 2022 £ |
|-----------------------------|--|---|-----------------------------------|
| Repairs and Maintenance | 149,444 | - | 149,444 |
| Legal and Professional Fees | 30,305 | - | 30,305 |
| Management Charge | 7,769 | - | 7,769 |
| Other Property Expenses | 79,051 | - | 79,051 |
| Staff costs | 104,441 | - | 104,441 |
| Depreciation | 266,104 | 9,870 | 275,974 |
| | <u>637,114</u> | <u>9,870</u> | <u>646,984</u> |

| | Unrestricted funds 2021 £ | Restricted fund 2021 £ | Total funds 2021 £ |
|-----------------------------|--|---|-----------------------------------|
| Repairs and Maintenance | 159,859 | - | 159,859 |
| Legal and Professional Fees | 22,277 | - | 22,277 |
| Management Charge | 7,339 | - | 7,339 |
| Other Property Expenses | 84,425 | - | 84,425 |
| Staff costs | 101,272 | - | 101,272 |
| Depreciation | 247,493 | 9,870 | 257,363 |
| | <u>622,665</u> | <u>9,870</u> | <u>632,535</u> |

b. Governance costs

| | Unrestricted funds 2022 £ | Restricted fund 2022 £ | Total funds 2022 £ |
|------------------------|--|---|-----------------------------------|
| Auditors' remuneration | 5,700 | - | 5,700 |
| Trustees' insurance | 5,313 | - | 5,313 |
| Management charge | 3,329 | - | 3,329 |
| | <u>14,342</u> | <u>-</u> | <u>14,342</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2022

4. (continued)

b. Governance costs

| | Unrestricted funds 2021 £ | Restricted fund 2021 £ | Total funds 2021 £ |
|------------------------|--|---|-----------------------------------|
| Auditors' remuneration | 5,150 | - | 5,150 |
| Trustees' insurance | 5,159 | - | 5,159 |
| Management charge | 3,145 | - | 3,145 |
| | <u>13,454</u> | <u>-</u> | <u>13,454</u> |

5. Total resources expended

| | Staff costs 2022 £ | Depreciation 2022 £ | Other costs 2022 £ | Total 2022 £ | Total 2021 £ |
|------------------------------|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Provision of care facilities | 104,441 | 275,974 | 266,569 | 646,984 | 632,535 |
| Governance | - | - | 14,342 | 14,342 | 13,454 |
| | <u>104,441</u> | <u>275,974</u> | <u>280,911</u> | <u>661,326</u> | <u>645,989</u> |
| | Staff costs 2021 £ | Depreciation 2021 £ | Other costs 2021 £ | Total 2021 £ | Total 2020 £ |
| Provision of care facilities | 101,272 | 257,363 | 273,900 | 632,535 | 673,134 |
| Governance | - | - | 13,454 | 13,454 | 11,710 |
| | <u>101,272</u> | <u>257,363</u> | <u>287,354</u> | <u>645,989</u> | <u>684,844</u> |

6. Net income for the year

| | 2022 £ | 2021 £ |
|--|-------------------|-----------------------|
| This is stated after charging: | | |
| Depreciation of tangible fixed assets owned by the charity | 275,974 | 257,363 |
| Auditor' remuneration | 5,700 | 5,150 |
| | <u>281,674</u> | <u>262,513</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2022

7. Staff costs

| | 2022 | 2021 |
|------------------------------|----------------|-----------------------|
| | £ | £ |
| Staff costs were as follows: | | |
| Wages and salaries | 89,760 | 87,011 |
| Other pension costs | 2,196 | 2,151 |
| Social security costs | 12,485 | 12,110 |
| | <u>104,441</u> | <u>101,272</u> |

| | 2022 | 2021 |
|---|-------------|-----------------|
| | No. | No. |
| The average monthly number of employees during the year was as follows: | | |
| Administration | 3 | 3 |
| Maintenance | 1 | 1 |
| | <u>4</u> | <u>4</u> |

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel comprise the Trustees, the Company Secretary, the Strategic Estates Manager and Head of Finance. The total employee benefits of the key management personnel of the charity was £64,350 (2021: £54,026). Some of these costs are included within the management charge see Note 4b above.

The Trustees did not receive any emoluments from the charity in the current or prior year nor did they receive any reimbursement of their expenses on behalf of the charity. During the year Indemnity Insurance was purchased at a cost of £5,313 (2021 : £5,159) to cover Trustees, directors and employees.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2022

| 8. Tangible fixed assets | Freehold Property | Other Equipment | Motor Vehicles | Total |
|---------------------------------|------------------------------|----------------------------|---------------------------|--------------------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 April 2021 | 12,310,640 | 37,200 | - | 12,347,840 |
| Additions | 1,044,894 | - | 17,118 | 1,062,012 |
| At 31 March 2022 | <u>13,355,534</u> | <u>37,200</u> | <u>17,118</u> | <u>13,409,852</u> |
| Depreciation | | | | |
| At 1 April 2021 | 3,750,289 | 34,100 | - | 3,784,389 |
| Charge for the year | 270,877 | 3,100 | 1,997 | 275,974 |
| At 31 March 2022 | <u>4,021,166</u> | <u>37,200</u> | <u>1,997</u> | <u>4,060,363</u> |
| Net book value | | | | |
| At 31 March 2021 | 8,560,351 | 3,100 | - | 8,563,451 |
| At 31 March 2022 | <u>9,334,368</u> | <u>-</u> | <u>15,121</u> | <u>9,349,489</u> |

Within Freehold Property there was one addition of £799,907 in the year to 31 March 2022 funded by the designated fund (2021: nil).

There was a depreciation charge of £9,870 to the restricted fund in the year (2021: £9,870) and a net book value of £463,890 at 31 March 2021 (2021: £473,630). This relates to the charge held by NHS England over a freehold property.

The tangible fixed assets are all used to support Freeways Trust activities.

| 9. Investment Properties | 2022 | 2021 |
|----------------------------------|----------------|-----------------------|
| | £ | £ |
| Value at start of period | 337,500 | 44,030 |
| Change in fair value in the year | - | 293,470 |
| Fair value at end of year | <u>337,500</u> | <u>337,500</u> |

During the prior year, Freeways Trust decided to reclassify the land owned at Leigh Court as an investment property, rather than as a freehold property within Fixed Assets. The fair value of the land is based on the independent valuation carried out by David James & Partners in June 2019.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2022

10. Debtors

| | 2022 | 2021 |
|--------------------------------|---------------|----------------------|
| | £ | £ |
| Accrued income and Prepayments | 59,730 | 61,739 |
| | <u>59,730</u> | <u>61,739</u> |

Debtors within the restricted fund are nil at 31 March 2022 (2021: nil)

11. Creditors

Creditors: Amounts falling due within one year

| | 2022 | 2021 |
|------------------------------|----------------|----------------------|
| | £ | £ |
| Social security and taxes | 4,652 | 2,856 |
| Trade creditors | 40,006 | 23,863 |
| Accruals and deferred income | 102,658 | 29,214 |
| | <u>147,316</u> | <u>55,933</u> |

Creditors within the restricted fund are nil at 31 March 2022 (2021: nil)

Deferred income for 2022 was £76,488 (2021: £1,070). The amounts deferred at 31 March 2022 will be recognised in the 2022/22 financial year. Deferred income relates to rental income received in advance and a contribution towards the cost of adaptations at Orchard Cottage.

12. Statement of funds - current year

| | Balance at 1 April 2021 | Income | Expenditure | Gains and Losses | Transfers in/out | Balance at 31 March 2022 |
|----------------------------|----------------------------|----------------|------------------|---------------------|---------------------|-----------------------------|
| | £ | £ | £ | £ | £ | £ |
| Designated fund | | | | | | |
| Strategic estate programme | 2,502,251 | - | - | | (799,907) | 1,702,344 |
| General fund | 9,428,132 | 956,044 | (651,456) | - | 799,907 | 10,532,627 |
| | <u>11,930,383</u> | <u>956,044</u> | <u>(651,456)</u> | <u>-</u> | <u>-</u> | <u>12,234,971</u> |
| Total unrestricted funds | | | | | | |
| Restricted Fund | | | | | | |
| NHS Grant | 473,760 | - | (9,870) | - | - | 463,890 |
| Total of funds | <u>12,404,143</u> | <u>956,044</u> | <u>(661,326)</u> | <u>-</u> | <u>-</u> | <u>12,698,861</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2022

12. (continued)

Strategic Estate Programme - The trustees have designated funds to implement the programme of estate improvements and replacements planned to take place over the next 7 to 10 years

NHS Grant - a capital grant from NHS England for use in providing supported living accommodation for people with learning disability

Statement of funds - prior year

| | Balance at 1 April 2020 | Income | Expenditure | Gains and Losses | Transfers in/out | Balance at 31 March 2021 |
|----------------------------|------------------------------------|----------------|--------------------|-----------------------------|-----------------------------|-------------------------------------|
| | £ | £ | £ | £ | £ | £ |
| Designated fund | | | | | | |
| Strategic estate programme | 3,250,000 | - | - | - | 747,749 | 2,502,251 |
| General fund | 8,117,527 | 905,505 | (636,119) | 293,470 | 747,749 | 9,428,132 |
| | <u>11,367,527</u> | <u>905,505</u> | <u>(636,119)</u> | <u>293,470</u> | <u>-</u> | <u>11,930,383</u> |
| Total unrestricted funds | | | | | | |
| Restricted Fund | | | | | | |
| NHS Grant | 483,630 | - | (9,870) | - | - | 473,760 |
| Total of funds | <u>11,851,157</u> | <u>905,505</u> | <u>(645,989)</u> | <u>293,470</u> | <u>-</u> | <u>12,404,143</u> |

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2022 | Restricted fund 2022 | Total funds 2022 |
|-------------------------------|--|-------------------------------------|-----------------------------|
| | £ | £ | £ |
| Tangible fixed assets | 8,885,599 | 463,890 | 9,349,489 |
| Investments | 337,500 | - | 337,500 |
| Current assets | 3,159,189 | - | 3,159,189 |
| Creditors due within one year | (147,316) | - | (147,316) |
| | <u>12,234,972</u> | <u>463,890</u> | <u>12,698,862</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2022

13. (continued)

Analysis of net assets between funds - prior year

| | Unrestricted funds 2021 £ | Restricted fund 2021 £ | Total funds 2021 £ |
|-------------------------------|--|---|-----------------------------------|
| Tangible fixed assets | 8,089,691 | 473,760 | 8,563,451 |
| Investments | 337,500 | - | 337,500 |
| Current assets | 3,559,125 | - | 3,559,125 |
| Creditors due within one year | (55,933) | - | (55,933) |
| | <u>11,930,383</u> | <u>473,760</u> | <u>12,404,143</u> |

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

| | 2022 £ | 2021 £ |
|---------------------------------------|-------------------|-------------------|
| Net movement in funds | 294,718 | 552,986 |
| Add back depreciation charge | 275,974 | 257,364 |
| Less interest received | (415) | (196) |
| (Increase) in investments | - | (337,500) |
| (Increase) in debtors | 2,009 | (12,523) |
| (Decrease) in creditors | 91,383 | 7,660 |
| Net cash used in operating activities | <u>663,669</u> | <u>467,791</u> |

15. Contingent Liability

There is a contingent liability in respect of the capital grant of £493,500 from NHS England to provide accommodation for people with learning disability. Should Freeways Trust cease to provide this accommodation or an agreed alternative then the grant would be repayable based on the then current value of the property and the original proportion funded by the grant.

16. Other commitments

| | 2022 £ | 2021 £ |
|--|-------------------|-------------------|
| At 31 March 2022 the charity had vehicle lease commitments as follows. | | |
| Less than 1 year | - | 3,089 |
| 2 - 5 years | - | - |
| Over 5 years | - | - |
| | <u>-</u> | <u>3,089</u> |

In August 2021, the leased vehicle was returned.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2022

17. Related party transactions

The majority of the Trustees are also the Trustees of Freeways, a charitable company that provides residential, supported living and day care services for persons with learning disabilities. Freeways leases some of the charity's properties and paid £463,920 (2021 - £467,602) to the charity in the year ended 31 March 2022.

Freeways Trust paid £11,098 (2021: £10,484) to Freeways and received £39,820 (2021: £38,570) in respect of management charges during the year. At the year end Freeways Trust was owed £3,239 by Freeways (2021: owed £2,623 to Freeways) included within trade creditors.

FREEWAYS TRUST

England & Wales - Charity number 1102216

Accounts

Registered Charity Number: 1102216

Freeways Trust

Registered number: 5026647

Trustees' report and financial statements

For the year ended 31 March 2021

FREEWAYS TRUST
(A Company Limited by Guarantee)

CONTENTS

| | |
|---|----------------|
| Reference and Administrative Details | 1 |
| Report of the Board of Trustees | 2 - 6 |
| Independent Auditors' report | 7 - 10 |
| Statement of Financial Activities | 11 |
| Balance Sheet | 12 |
| Cash Flow Statement | 13 |
| Notes to the Financial Statements | 14 - 25 |

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS
FOR THE YEAR ENDED MARCH 2021

| | |
|----------------------------------|--|
| Trustees | F S Morton C C Britton Dr L B Cooke P J Laszlo Mrs D Y Pincott B E Sawyer Mrs A Heaton (resigned 4 February 2021) N J Morgan (appointed 14 June 2021) |
| Company registered number | 05026647 1102216 |
| Registered office | Leigh Court Day Centre Pill Road Abbots Leigh Bristol BS8 3RA |
| Company secretary | David Slack |
| Independent auditors | Mazars LLP Chartered Accountants 90 Victoria Street Bristol BS1 6DP |
| Bankers | Barclays Bank Plc 86 Queens Road Clifton Bristol BS8 1RB |
| Solicitors | Burges Salmon LLP One Glass Wharf Bristol BS2 0ZX |

REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED MARCH 2021

The Trustees (who are also the directors of the charity for the purpose of the Companies Act) present their annual report together with the audited financial statements of Freeways Trust (the charity) for the year ended 31 March 2021. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not needed.

Freeways Trust's charitable purpose is enshrined in its objects 'to promote the education and training (including social and physical) and the care and relief of mentally handicapped persons or persons suffering from mental illness or other disorder of the mind by the establishment or acquisition, maintenance and operation of residential houses and hostels and training centres for such persons'.

The Trustees ensure that this purpose is carried out for the public benefit by delivering the provision of high quality properties to Freeways (Charity no. 298603 - a charity undertaking to provide direct support to adults with learning disabilities) for use as facilities for residential homes, supported living properties or as day care and therapeutic facilities for people with learning disabilities; and also directly to adult with learning disabilities for supported living.

The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Structure, Governance and Management

Freeways Trust is a company limited by guarantee (Registered no. 5026647) registered in England and Wales and a registered charity (Registered no. 1102216). The company is limited by guarantee having no share capital. In the event of the company being wound up every member undertakes to contribute to the assets of the company up to an amount not exceeding £1.

Freeways Trust was established in December 1987 under a deed of trust as a registered charity. From 1 April 2004 the activities of the charity were incorporated. The governing document is the Memorandum and Articles of Association of the company and members of the Board of Trustees are the Directors of the company.

The Trustees have delegated day to day finance management of the charity to the Company Secretary. In addition, the Trustees have appointed a Strategic Estates Manager to lead the preparation and implementation of an estates strategy and also report on the performance of the charity against strategic plans set and agreed by the Trustees. The Trustees meet bi-monthly.

During the year, two new Trustees were invited to join the Freeways Trust Board with one being appointed during the year and one post year-end. New Trustees invited to join the Board are selected on the basis of their experience and skills. Due to the COVID-19 pandemic, visits to a number of homes could not be arranged in the usual manner, but the induction process was carried out virtually instead.

REPORT OF THE BOARD OF TRUSTEES (continued)
FOR THE YEAR ENDED MARCH 2021

Trustees are encouraged to attend appropriate external training events where these would facilitate the understanding of their role.

A separate charity, Freeways (Charity no. 298603), mainly has common Trustees to Freeways Trust, but is not under common control and both organisations have similar charitable objects.

None of the Trustees receives remuneration or other benefit for their work with the charity. Any connection between a Trustee and a related party or other organisation with which the charity co-operates is disclosed in the same way as any other contractual relationship with a related party.

Risk Management

The Board of Trustees has reviewed during the year an assessment of the risks to which the charity is exposed. The review looked at the key risks around Freeways Trust's ability to deliver its strategy. The review identified that additional risks in relation to COVID-19 existed for the organisation during the year and concluded that the control environment continues to be sufficiently robust.

Risks are identified against four key areas as follows: governance, property management, financial management and external factors. The most significant risks facing the charity identified during the current year relate to external factors including the COVID-19 infection risk as maintenance staff travel between multiple sites.

Key Management Personnel remuneration

The Trustees consider the Board of Trustees, the Company Secretary and the Strategic Estate Manager to comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis.

All Trustees give of their time freely and none of the Trustees received remuneration in the past financial year. Trustees are required to disclose all relevant interests and register them with the Company Secretary. Details of Trustee expenditure and related party transactions are disclosed in note 17 of the financial statements.

The pay of the Company Secretary and Strategic Estate Manager is reviewed annually and can be increased in accordance with average earnings. In view of the nature of the charity, the Trustees' benchmark against pay levels in other charities of a similar size and also take into account sector experience. The remuneration bench-mark is the mid-point of the range paid for similar roles.

Activities in the year

Strategic Estate Programme

The Estate Strategy for Freeways Trust was agreed in November 2018 and work carried out during 2020-21 has been performed in line with this plan. Building work started in July 2020 in relation to the conversion of Morley House to six one bedroom supported living flats, one of which is an accessible and adapted flat and was completed post year-end. Discussions have been held with Bristol City Council about the re-development potential for both Whites and Underhay Houses, but no final decision has

REPORT OF THE BOARD OF TRUSTEES (continued)
FOR THE YEAR ENDED MARCH 2021

made as yet in relation to either property.

Provision of care facilities

During the year, Freeways Trust leased 16 properties (including the head office and day centre), geographically spread over Bristol, North Somerset, South Gloucestershire and Bath & North East Somerset. The residential homes are leased to Freeways for its operations in delivering services to adults with learning disabilities. Supported living accommodation is leased to individual tenants. The 7 registered residential homes can accommodate 74 persons and the 8 supported living properties can accommodate 45 persons.

Repairs and maintenance

The Charity is committed to improving the standard of all existing properties, but the cyclical repairs and maintenance programme was affected by COVID-19 and therefore the majority of the works carried out during the year were reactive, rather than planned maintenance. All works carried out continued to enable Freeways to operate within properties suitably adapted for adults with learning disabilities and provided Freeways service users with properties that they enjoyed living within.

Capital projects

The building works in relation to Morley House were started in July 2020 and completed in May 2021 ahead of the original target completion date of summer 2021. No other capital projects were undertaken during the year due to COVID-19, but the Charity continues to seek suitable properties and land for purchase in order to progress the Strategic Estate Programme.

Investment policy

The funds available to Freeways Trust are intended for the purchase of new or improvement in existing properties so Trustees do not consider it prudent to invest monies on a long term basis. The policy is to invest surplus cash in short term deposits from one week to twelve months. The plan to diversify where these funds are held was delayed due to low interest rates during the year and no short term deposit opportunities being available to the Trust.

Reserves policy

The current policy is to continue to build cash reserves in order to finance future development projects which are part of the Strategic Estate Programme. In 2019 the Trustees designated £3,250,000 to fund the Strategic Estate Programme over the next 7 to 10 years and at 31 March 2021, this fund was £2,502,251 (2020: £3,250,000). At 31 March 2021 the general reserves were £9,412,532 (2020: £8,117,527) and restricted reserves were £473,760 (2020: £483,630). The total free reserves were £995,135. The Trustees will continue to review the policy on a regular basis and amend it accordingly dependent on strategic plans and key risks to which the charity is exposed.

REPORT OF THE BOARD OF TRUSTEES (continued)
FOR THE YEAR ENDED MARCH 2021

Plans for 2021-22 and beyond

The Charity plans to continue activities in line with its objects and the estate strategy. Existing properties in use will continue to be maintained in line with the repairs and maintenance programme.

Financial Review

A surplus of £547,256 was generated on unrestricted funds in 2020-21 (2019-20: £215,649). In addition a deficit of £(9,870) was generated on restricted funds in 2020-21 (2019-20: deficit £(9,870)) arising from depreciation charged on the asset part funded by the grant received from NHS England in the previous year.

COVID-19

During the year, and due to the pandemic measures in place, it was not possible for Freeways Trust to carry out all of the planned repairs and maintenance work during the year. However, as reactive repairs and maintenance works were possible, no staff had to be furloughed. A little over 50% of the charity's income is the rent received from Freeways, which is funded by local authorities, who continue to require that services are provided and have provided increased funding and grants to cover additional costs incurred due to the pandemic. There has been an impact on the trading activities relating to the Hydrotherapy pool which was closed for 4 months in 2020, but there are no longer-term issues anticipated. In consideration of this position and the level of reserves held by the charity, no significant risk to the long-term viability of the charity has been identified.

Trustees responsibilities statement

The Trustees (who are also directors of Freeways Trust for the purpose of the company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

REPORT OF THE BOARD OF TRUSTEES (continued)
FOR THE YEAR ENDED MARCH 2021

Provision of Information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- each Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charity's auditors in connection with preparing their report and to establish that the auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

This report was approved by the Trustees on Aug 9, 2021 and signed on their behalf by:

F s morton

[F s morton \(Aug 9, 2021 10:53 GMT+1\)](#)

F S Morton
Chair

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FREEWAYS TRUST
FOR THE YEAR ENDED MARCH 2021

Opinion

We have audited the financial statements of Freeways Trust (the 'charity') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FREEWAYS TRUST
FOR THE YEAR ENDED MARCH 2021

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 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 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.

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FREEWAYS TRUST
FOR THE YEAR ENDED MARCH 2021

that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 misstatements, 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.

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. Based on our understanding of Freeways Trust and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud and money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the Trustees' and managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were relating to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FREEWAYS TRUST
FOR THE YEAR ENDED MARCH 2021

team and remaining alert to any indications of non-compliance throughout our audit; and

- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the 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 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed: 

Name:

Jonathan Marchant (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street, Bristol BS1 6 DP

Date: Aug 10, 2021

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021 (incorporating the Income & Expenditure Account)

| | Note | Unrestricted | Restricted | Total funds | Total funds |
|--|------|-------------------|----------------|-------------------|-------------------|
| | | funds | fund | 2021 | 2020 |
| Income | | 2021 | 2021 | 2021 | 2020 |
| | | £ | £ | £ | £ |
| Donations and Grants | 2 | 5,153 | - | 5,153 | - |
| Income from charitable activities | 3 | 873,474 | - | 873,474 | 857,590 |
| Other trading activities | | 26,682 | - | 26,682 | 12,714 |
| Investment income | | 196 | - | 196 | 20,319 |
| Total Income | | 905,505 | - | 905,505 | 890,623 |
| Expenditure on charitable activities | 4 | 636,119 | 9,870 | 645,989 | 684,844 |
| Total Expenditure | | 636,119 | 9,870 | 645,989 | 684,844 |
| Net income before investment gains/(losses) | | 269,386 | (9,870) | 259,516 | 205,779 |
| Net gains on investments | 9 | 293,470 | - | 293,470 | - |
| Net income for the year and net movement in funds | | 562,856 | (9,870) | 552,986 | 205,779 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 11,367,527 | 483,630 | 11,851,157 | 11,645,378 |
| Total funds carried forward | | 11,930,383 | 473,760 | 12,404,143 | 11,851,157 |

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

All activities relate to continuing operations.

The notes on pages 14 to 25 form part of these financial statements.

FREEWAYS TRUST
(A Company Limited by Guarantee)

12

BALANCE SHEET
AS AT 31 MARCH 2021

| | Note | £ | 2021 £ | £ | 2020 £ |
|---|------|------------------|-------------------|------------------|-------------------|
| Fixed assets | | | | | |
| Tangible assets | 8 | | 8,563,451 | | 8,087,858 |
| Investment Properties | 9 | | 337,500 | | - |
| | | | <u>8,900,951</u> | | <u>8,087,858</u> |
| Current assets | | | | | |
| Debtors | 10 | 61,739 | | 49,216 | |
| Cash at bank | | 3,497,386 | | 3,762,356 | |
| | | <u>3,559,125</u> | | <u>3,811,572</u> | |
| Creditors: amounts falling due within one year | | | | | |
| | 11 | (55,933) | | (48,273) | |
| Net current assets | | | <u>3,503,192</u> | | <u>3,763,299</u> |
| Net assets | | | <u>12,404,143</u> | | <u>11,851,157</u> |
| Funds | | | | | |
| Restricted fund | 12 | | 473,760 | | 483,630 |
| Unrestricted funds | | | 11,930,383 | | 11,367,527 |
| | | | <u>12,404,143</u> | | <u>11,851,157</u> |

The financial statements were approved by the Trustees on Aug 9, 2021 and signed on their behalf by:

F s morton
 F s morton (Aug 9, 2021 10:53 GMT+1)

F S Morton
 Chair

P.J.Laszlo
 P.J.Laszlo (Aug 9, 2021 14:35 GMT+1)

P J Laszlo
 Trustee

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

| | Note | 2021 £ | 2020 £ |
|--|-----------|------------------|------------------|
| Net cash flow from operating activities | 14 | 467,791 | 359,170 |
| Cash flows from investing activities | | | |
| Interest received | | 196 | 20,319 |
| Purchase of tangible fixed assets | | (776,987) | (249,535) |
| Transfer of tangible fixed assets to investment properties | | 44,030 | - |
| Cash (used in) investing activities | | <u>(732,761)</u> | <u>(229,216)</u> |
| Increase in cash and cash equivalents in the year | | <u>(264,970)</u> | <u>129,954</u> |
| Cash and cash equivalents at the beginning of the year | | 3,762,356 | 3,632,402 |
| Total cash and cash equivalents at the end of the year | | 3,497,386 | 3,762,356 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2021

1. Accounting Policies

The accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a. General information

Freeways Trust is a private company limited by guarantee, incorporated in England and Wales, with the registered company number 5026647 and the registered charity number 1102216. The charity's registered office is Leigh Court Day Centre, Pill Road, Abbots Leigh, Bristol, BS8 3RA.

b. Statement of compliance

The individual financial statements of Freeways Trust have been prepared in accordance with Financial Reporting Standard 102 and Companies Act 2006.

c. Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

No significant judgements have had to be made by management in preparing these financial statements.

Freeways Trust 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).

d. Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about Freeway Trust's ability to continue as a going concern based on the ongoing cashflows of the charity. Rental payments continue to be received from both Freeways and for tenants in support living accommodation.

e. Fund accounting

General funds are unrestricted funds available for use at the discretion of the trustees in the furtherance of the charitable objectives of Freeways Trust and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside for particular purposes. The restricted funds is to be used in accordance with the specific restrictions imposed by the donor. The aim and use of each designated and restricted fund is set out in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2021

1. Accounting Policies (continued)

f. Income

All income is accounted for as soon as Freeways Trust has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably. Rental income is accounted for in the year to which it applies. Rental income received during a year which relates to a subsequent financial accounting period is carried forward as a creditor on the balance sheet and shown as deferred rental income.

g. Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and is classified under headings that aggregate all the costs related to the activity. Where costs cannot be directly attributed to the particular activities they are allocated on a basis consistent with the use of the resources.

Direct costs, including directly attributable salaries, depreciation and repairs and maintenance costs are allocated on an actual basis to the activity.

Support costs consist of governance costs only.

Governance costs include the costs of governance arrangements which relate to the general running of the charity. These activities provide the governance infrastructure which allows the charity to operate and to generate the information required for public accountability. They include the strategic planning processes that contribute to future development of the charity.

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

h. Tangible fixed assets and depreciation

In accordance with FRS 102 Section 16.3A any property held primarily for the provision of social benefit shall not be classed as investment property and shall be accounted for as property, plant or machinery.

Freeways Trust has elected not to adopt a policy of revaluation of its property, plant or machinery. Accordingly, it has retained the book value of land and buildings previously revalued at March 1999 and will not update that valuation. Properties acquired in years subsequent to the valuation are included at their purchase cost, together with any incidental costs of acquisition. Since April 2018 investment in property improvement, refurbishment and new building have been capitalised at cost to their major components and each component depreciated over its useful life.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2021

1. Accounting Policies (continued)

h. Tangible fixed assets and depreciation (continued)

Property, plant or machinery (costing £10,000 or more per individual item) are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the asset, less their estimated residual value, over their expected useful lives on the following bases:

| | |
|---------------------|---------------|
| Freehold property | 50 years |
| Property components | 7 to 25 years |
| Other equipment | 5 to 10 years |

i. Investments and Investment Properties

Investments are stated at fair market value at the balance sheet date in accordance with the SORP. Realised and unrealised gains are included in the Statement of Financial Activities.

Investment properties are properties which are held either to earn rental income or held for capital appreciation or for both. They are held at fair value in accordance with the SORP and are revalued every 5 years by an experienced independent valuer. Realised and unrealised gains and losses are included in the Statement of Financial Activities.

j. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k. Cash at bank and in hand

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

l. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligations can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m. Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2021

value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. Donations and Grants

| | Unrestricted funds 2021 £ | Restricted fund 2021 £ | Total funds 2021 £ |
|-----------|--|---|-----------------------------------|
| Donations | 5,153 | - | 5,153 |
| | <u>5,153</u> | <u>-</u> | <u>5,153</u> |

| | Unrestricted funds 2020 £ | Restricted fund 2020 £ | Total funds 2020 £ |
|-----------|--|---|-----------------------------------|
| Donations | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> |

3. Income from charitable activities

| | Unrestricted funds 2021 £ | Restricted fund 2021 £ | Total funds 2021 £ |
|--|--|---|-----------------------------------|
| Rental income from Freeways | 467,602 | - | 467,602 |
| Rental income from supported living properties | 405,872 | - | 405,872 |
| | <u>873,474</u> | <u>-</u> | <u>873,474</u> |

| | Unrestricted funds 2020 £ | Restricted fund 2020 £ | Total funds 2020 £ |
|--|--|---|-----------------------------------|
| Rental income from Freeways | 501,936 | - | 501,936 |
| Rental income from supported living properties | 355,654 | - | 355,654 |
| | <u>857,590</u> | <u>-</u> | <u>857,590</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2021

4. a. Charitable activities - provision of care services

| | Unrestricted funds 2021 £ | Restricted fund 2021 £ | Total funds 2021 £ |
|-----------------------------|------------------------------------|---------------------------------|--------------------------|
| Repairs and Maintenance | 159,859 | - | 159,859 |
| Legal and Professional Fees | 22,277 | - | 22,277 |
| Management Charge | 7,339 | - | 7,339 |
| Other Property Expenses | 84,425 | - | 84,425 |
| Staff costs | 101,272 | - | 101,272 |
| Depreciation | 247,493 | 9,870 | 257,363 |
| | <u>622,665</u> | <u>9,870</u> | <u>632,535</u> |

| | Unrestricted funds 2020 £ | Restricted fund 2020 £ | Total funds 2020 £ |
|-----------------------------|------------------------------------|---------------------------------|--------------------------|
| Repairs and Maintenance | 194,601 | - | 194,601 |
| Legal and Professional Fees | 30,575 | - | 30,575 |
| Management Charge | 7,137 | - | 7,137 |
| Other Property Expenses | 89,295 | - | 89,295 |
| Staff costs | 99,728 | - | 99,728 |
| Depreciation | 241,928 | 9,870 | 251,798 |
| | <u>663,264</u> | <u>9,870</u> | <u>673,134</u> |

b. Governance costs

| | Unrestricted funds 2021 £ | Restricted fund 2021 £ | Total funds 2021 £ |
|------------------------|------------------------------------|---------------------------------|--------------------------|
| Auditors' remuneration | 5,150 | - | 5,150 |
| Trustees' insurance | 5,159 | - | 5,159 |
| Management charge | 3,145 | - | 3,145 |
| | <u>13,454</u> | <u>-</u> | <u>13,454</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2021

4. (continued)

b. Governance costs

| | Unrestricted funds 2020 £ | Restricted fund 2020 £ | Total funds 2020 £ |
|------------------------|------------------------------------|---------------------------------|--------------------------|
| Auditors' remuneration | 4,200 | - | 4,200 |
| Trustees' insurance | 4,452 | - | 4,452 |
| Management charge | 3,058 | - | 3,058 |
| | <u>11,710</u> | <u>-</u> | <u>11,710</u> |

5. Total resources expended

| | Staff costs 2021 £ | Depreciation 2021 £ | Other costs 2021 £ | Total 2021 £ | Total 2020 £ |
|------------------------------|--------------------------|---------------------------|--------------------------|--------------------|-----------------------|
| Provision of care facilities | 101,272 | 257,363 | 273,900 | 632,535 | 673,134 |
| Governance | - | - | 13,454 | 13,454 | 11,710 |
| | <u>101,272</u> | <u>257,363</u> | <u>287,354</u> | <u>645,989</u> | <u>684,844</u> |

| | Staff costs 2020 £ | Depreciation 2020 £ | Other costs 2020 £ | Total 2020 £ | Total 2019 £ |
|------------------------------|--------------------------|---------------------------|--------------------------|--------------------|-----------------------|
| Provision of care facilities | 99,728 | 251,798 | 321,608 | 673,134 | 581,827 |
| Governance | - | - | 11,710 | 11,710 | 10,838 |
| | <u>99,728</u> | <u>251,798</u> | <u>333,318</u> | <u>684,844</u> | <u>592,665</u> |

6. Net income for the year

| | 2021 £ | 2020 £ |
|--|--------------|---------------------|
| This is stated after charging: | | |
| Depreciation of tangible fixed assets owned by the charity | 257,363 | 251,798 |
| Auditor' remuneration | <u>5,150</u> | <u>4,200</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2021

7. Staff costs

| | 2021 | 2020 |
|------------------------------|----------------|---------------|
| | £ | £ |
| Staff costs were as follows: | | |
| Wages and salaries | 87,011 | 90,600 |
| Other pension costs | 2,151 | 1,723 |
| Social security costs | 12,110 | 7,405 |
| | <u>101,272</u> | <u>99,728</u> |

| | 2021 | 2020 |
|---|-------------|-------------|
| | No. | No. |
| The average monthly number of employees during the year was as follows: | | |
| Administration | 3 | 3 |
| Maintenance | 1 | 1 |
| | <u>4</u> | <u>4</u> |

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel comprise the Trustees, the Company Secretary and the Strategic Estates Manager. The total employee benefits of the key management personnel of the charity was £54,026 (2020: £50,039). Some of these costs are included within the management charge see Note 4b above.

The Trustees did not receive any emoluments from the charity in the current or prior year nor did they receive any reimbursement of their expenses on behalf of the charity. During the year Indemnity Insurance was purchased at a cost of £5,159 (2020 : £4,452) to cover Trustees, directors and employees.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2021

| 8. Tangible fixed assets | Freehold Property £ | Other Equipment £ | Total £ |
|------------------------------------|------------------------------------|----------------------------------|--------------------------|
| Cost | | | |
| At 1 April 2020 | 11,577,683 | 37,200 | 11,614,883 |
| Additions | 776,987 | - | 776,987 |
| Transfers to Investment Properties | (44,030) | | (44,030) |
| At 31 March 2021 | <u>12,310,640</u> | <u>37,200</u> | <u>12,347,840</u> |
| Depreciation | | | |
| At 1 April 2020 | 3,499,125 | 27,900 | 3,527,025 |
| Charge for the year | 251,164 | 6,200 | 257,364 |
| At 31 March 2021 | <u>3,750,289</u> | <u>34,100</u> | <u>3,784,389</u> |
| Net book value | | | |
| At 31 March 2020 | 8,078,558 | 9,300 | 8,087,858 |
| At 31 March 2021 | <u>8,560,351</u> | <u>3,100</u> | <u>8,563,451</u> |

Within Freehold Property there were no additions in the year to 31 March 2021 funded by the restricted fund (2020: nil).

There was a depreciation charge of £9,870 to the restricted fund in the year (2020: £9,870) and a net book value of £483,630 at 31 March 2021 (2020: £483,630). This relates to the charge held by NHS England over a freehold property.

The tangible fixed assets are all used to support Freeways Trust activities.

| 9. Investment Properties | 2021 £ | 2020 £ |
|----------------------------------|-----------------------|-------------------|
| Value at start of period | - | - |
| Transfer in the year at cost | 44,030 | - |
| Change in fair value in the year | 293,470 | - |
| Fair value at end of year | <u><u>337,500</u></u> | <u><u>-</u></u> |

During the year, Freeways Trust decided to reclassify the land owned at Leigh Court as an investment property, rather than as a freehold property within Fixed Assets. The fair value of the land is based on the independent valuation carried out by David James & Partners in June 2019.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2021

10. Debtors

| | 2021 | 2020 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Accrued income and Prepayments | 61,739 | 49,216 |
| | <u>61,739</u> | <u>49,216</u> |

Debtors within the restricted fund are nil at 31 March 2021 (2020: nil)

11. Creditors

Creditors: Amounts falling due within one year

| | 2021 | 2020 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Social security and taxes | 2,856 | 2,770 |
| Trade creditors | 23,863 | 37,117 |
| Accruals and deferred income | 29,214 | 8,386 |
| | <u>55,933</u> | <u>48,273</u> |

Creditors within the restricted fund are nil at 31 March 2021 (2020: nil)

Deferred income for 2021 was £1,070 (2020: £888). The amounts deferred at 31 March 2021 will be recognised in the 2021/22 financial year. Deferred income relates to rental income received in advance.

12. Statement of funds - current year

| | Balance at 1 April 2020 | Income | Expenditure | Gains and Losses | Transfers in/out | Balance at 31 March 2021 |
|----------------------------|----------------------------|----------------|------------------|---------------------|---------------------|-----------------------------|
| | £ | £ | £ | £ | £ | £ |
| Designated fund | | | | | | |
| Strategic estate programme | 3,250,000 | - | - | | (747,749) | 2,502,251 |
| General fund | 8,117,527 | 905,505 | (636,119) | 293,470 | 747,749 | 9,428,132 |
| | <u>11,367,527</u> | <u>905,505</u> | <u>(636,119)</u> | <u>293,470</u> | <u>-</u> | <u>11,930,383</u> |
| Total unrestricted funds | | | | | | |
| Restricted Fund | | | | | | |
| NHS Grant | 483,630 | - | (9,870) | - | - | 473,760 |
| Total of funds | <u>11,851,157</u> | <u>905,505</u> | <u>(645,989)</u> | <u>293,470</u> | <u>-</u> | <u>12,404,143</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2021

12. (continued)

Strategic Estate Programme - The trustees have designated funds to implement the programme of estate improvements and replacements planned to take place over the next 7 to 10 years

NHS Grant - a capital grant from NHS England for use in providing supported living accommodation for people with learning disability

Statement of funds - prior year

| | Balance at 1 April 2019 | Income | Expenditure | Gains and Losses | Transfers in/out | Balance at 31 March 2020 |
|----------------------------|------------------------------------|----------------|--------------------|-----------------------------|-----------------------------|-------------------------------------|
| | £ | £ | £ | £ | £ | £ |
| Designated fund | | | | | | |
| Strategic estate programme | 3,250,000 | - | - | - | - | 3,250,000 |
| General fund | 7,901,878 | 890,623 | (674,974) | - | - | 8,117,527 |
| | <u>11,151,878</u> | <u>890,623</u> | <u>(674,974)</u> | <u>-</u> | <u>-</u> | <u>11,367,527</u> |
| Total unrestricted funds | | | | | | |
| Restricted Fund | | | | | | |
| NHS Grant | 493,500 | - | (9,870) | - | - | 483,630 |
| Total of funds | <u>11,645,378</u> | <u>890,623</u> | <u>(684,844)</u> | <u>-</u> | <u>-</u> | <u>11,851,157</u> |

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 | Restricted fund 2021 | Total funds 2021 |
|-------------------------------|--|-------------------------------------|-----------------------------|
| | £ | £ | £ |
| Tangible fixed assets | 8,089,691 | 473,760 | 8,563,451 |
| Investments | 337,500 | - | 337,500 |
| Current assets | 3,559,125 | - | 3,559,125 |
| Creditors due within one year | (55,933) | - | (55,933) |
| | <u>11,930,383</u> | <u>473,760</u> | <u>12,404,143</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2021

13. (continued)

Analysis of net assets between funds - prior year

| | Unrestricted funds 2020 £ | Restricted fund 2020 £ | Total funds 2020 £ |
|-------------------------------|--|---|-----------------------------------|
| Tangible fixed assets | 7,604,228 | 483,630 | 8,087,858 |
| Current assets | 3,811,572 | - | 3,811,572 |
| Creditors due within one year | (48,273) | - | (48,273) |
| | <u>11,367,527</u> | <u>483,630</u> | <u>11,851,157</u> |

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

| | 2021 £ | 2020 £ |
|---------------------------------------|-------------------|-----------------------|
| Net movement in funds | 552,986 | 205,779 |
| Add back depreciation charge | 257,364 | 251,798 |
| Less interest received | (196) | (20,319) |
| (Increase) in investments | (337,500) | - |
| (Increase) in debtors | (12,523) | (2,989) |
| (Decrease) in creditors | 7,660 | (75,099) |
| Net cash used in operating activities | <u>467,791</u> | <u>359,170</u> |

15. Contingent Liability

There is a contingent liability in respect of the capital grant of £493,500 from NHS England to provide accommodation for people with learning disability. Should Freeways Trust cease to provide this accommodation or an agreed alternative then the grant would be repayable based on the then current value of the property and the original proportion funded by the grant.

16. Other commitments

| | 2021 £ | 2020 £ |
|--|-------------------|---------------------|
| At 31 March 2021 the charity had vehicle lease commitments as follows. | | |
| Less than 1 year | 3,089 | 3,089 |
| 2 - 5 years | - | - |
| Over 5 years | - | - |
| | <u>3,089</u> | <u>3,089</u> |

In March 2021, the vehicle lease was extended by a further 12 months.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 2021

17. Related party transactions

The majority of the Trustees are also the Trustees of Freeways, a charitable company that provides residential, supported living and day care services for persons with learning disabilities. Freeways leases some of the charity's properties and paid £467,602 (2020 - £501,936) to the charity in the year ended 31 March 2021.

Freeways Trust paid £10,484 (2020: £10,195) to Freeways and received £38,570 (2020: £25,200) in respect of management charges during the year. At the year end Freeways Trust owed £2,623 to Freeways (2020: £2,742) included within trade creditors.