

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)**

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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 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.

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
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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.

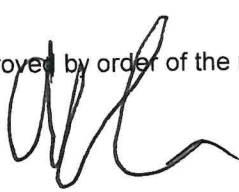
The Trustees considered the level of reserves held, the cash held in Treasury deposits and the cash-flow of the charity and determined that no significant risk to the long-term viability of Freeways Trust has been identified.

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

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.

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
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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:


26 September 2023


C C Britton
Trustee

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

FREEWAYS TRUST
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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
Cash flows from investing activities		
Interest received	13,376	415
Purchase of tangible fixed assets	(285,689)	(1,062,012)
Net cash used in investing activities	(272,313)	(1,061,597)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
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
Cash and cash equivalents at the end of the year	3,349,187	3,099,459

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

**FREEWAYS TRUST
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**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.

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

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.

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**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.

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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> 2 </u>	<u> 2 </u>	

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> 930,749 </u>	<u> 930,749 </u>	

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> 24,878 </u>	<u> - </u>	<u> 24,878 </u>	

FREEWAYS TRUST
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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

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7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Governance costs	14,732	14,342

8. Auditors' remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	5,000	5,700

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
	118,072	104,441

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
	4	4

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.

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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	13,577,039	37,200	27,360	36,824	13,678,423
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	4,316,688	37,200	912	-	4,354,800
NET BOOK VALUE					
At 31 March 2023	9,260,351	-	26,448	36,824	9,323,623
At 31 March 2022	9,334,368	-	15,121	-	9,349,489

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.

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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.

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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

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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.

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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>

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NOTES TO THE FINANCIAL STATEMENTS
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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	12,234,971	463,890	12,698,861

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)	299,969	294,718
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	522,041	663,669

19. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	3,349,187	3,099,459
TOTAL CASH AND CASH EQUIVALENTS	3,349,187	3,099,459

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NOTES TO THE FINANCIAL STATEMENTS
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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 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 £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).

