

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
Burgess Salmon LLP
One Glass Wharf
Bristol
BS2 0ZX

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.

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



Date: 8th October 25

C C Britton
Trustee



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.

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.

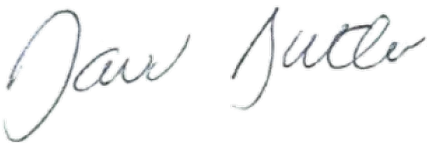
As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in the financial statements or non-compliance with laws and regulations, will not be detected by us. The risk increases the further removed compliance with a law or regulation 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.

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)
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
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
Cash flows from investing activities		
Interest received	74,966	68,938
Purchase of tangible fixed assets	(1,966,738)	(310,180)
Net cash used in investing activities	(1,891,772)	(241,242)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
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
Cash and cash equivalents at the end of the year	2,640,060	3,581,301

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>

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
	<u>30,391</u>	<u>30,391</u>	
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
	<u>68,938</u>	<u>68,938</u>	
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><u>914,616</u></u>	<u><u>21,516</u></u>	<u><u>936,132</u></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><u>1,077,522</u></u>	<u><u>914,616</u></u>

Analysis of support costs

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

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 No.	2024 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.

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	14,414,349	37,200	27,360	1,476,432	15,955,341
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	4,937,317	37,200	11,856	-	4,986,373
NET BOOK VALUE					
At 31 March 2025	9,477,032	-	15,504	1,476,432	10,968,968
At 31 March 2024	9,264,385	-	20,976	36,824	9,322,185

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	<u>364,000</u>

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
	<u>223,882</u>	<u>51,805</u>

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
	<u>98,790</u>	<u>78,476</u>

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

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	12,721,665	519,150	13,240,815

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)	857,305	241,985
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	950,531	473,356

19. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	2,640,060	3,581,301
TOTAL CASH AND CASH EQUIVALENTS	2,640,060	3,581,301

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).