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The Grove Residential Home (Solihull)
Company Limited by Guarantee
Financial Statements
31 March 2023

COMPANY REGISTRATION NUMBER: 04866257

CHARITY REGISTRATION NUMBER: 1102533

The Grove Residential Home (Solihull)
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2023

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The Grove Residential Home (Solihull)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Registered charity name	The Grove Residential Home (Solihull)
Charity registration number	1102533
Company registration number	04866257
Principal office and registered office	48 Lode Lane Solihull West Midlands B91 2AE England

The trustees

L. Green
C. M. Ellis
D. A. Huggins
J. R. Bates
R. G. Ellis
S. M. Mullett (Appointed 29 November 2022)

Company secretary J. R. Bates

Auditor Edwards Pearson & White (Audit) Limited
Chartered Certified Accountants & statutory auditor
8 Jury Street
Warwick
CV34 4EW

Structure, governance and management

The home is held in a company limited by guarantee which is governed by the trustees who are also the directors.

Meetings are held on a regular basis, approximately 6-8 times per annum when the overall management of the home is discussed and agreed. Day to day management is undertaken by the care manager and management team.

We have complied with the duty in section 17(5) of the 2011 charities act to have due regard to guidance published by the charity commission (ie public benefit statement).

Objectives and activities

The primary objective of the trustees is to ensure the security of the home going forward in providing a suitable environment for the residents. This year, the Home enjoyed a welcome return almost to normality following the Covid Pandemic.

The home benefits the public by providing a suitable residential care home for the local community.

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Achievements and performance

The home has been able to operate in a more stable and normal manner than was possible during the Pandemic. It continues to provide a warm and secure environment for the residents thanks to the commitment and dedication of the home's staff and, as ever, grateful thanks are extended to them for all they do.

Financial review

A surplus of £39,748 (2022: £69,971) was incurred which is considered to be an acceptable result for the year.

Some Government assistance was received including grants towards the garden rejuvenation project which commenced around the year end. It was also possible to undertake more normal levels of general Home repairs and renewals which had been postponed due to the Pandemic. Occupancy remained high throughout the year and the recruitment of staff proved to be challenging. Unrestricted funds carried forward at the end of the year amount to £786,738 (2022: £747,134) and the trustees are satisfied that these should prove adequate for ongoing activities with a degree of confidence in the current environment. There were also restricted funds at the end of the year of £24,776 (2022: £24,631) in respect of funds received towards the garden rejuvenation project. The main funding source is residents income.

Plans for future periods

As noted above, the operation of the Home has now returned to near normality following the disruption caused by the Global Covid 19 Pandemic.

As also stated above, the garden rejuvenation project had commenced around the year end. It was largely completed by early summer 2023 but there were issues with the quality of the works which were taken up with the contractor. Unfortunately, the contractor went into liquidation recently and a new contractor will be sought to complete the project.

The Trustees are currently considering options for a the replacement of the kitchen and all its equipment and fittings which will be a major project over the next few months.

The trustees would, as ever, like to record their sincere thanks and appreciation to all members of staff whose unstinting commitment to the home and dedication to ensure the residents have been able to enjoy a safe and secure home throughout the year. Now that more normal circumstances have returned, the plans for the future are continuing to provide a suitable environment for the residents and there have been high levels of repairs during the current year which will, no doubt, continue over the next year as ongoing repairs are brought up to date. It is probable the current year will show a deficit due to the level of repairs but appropriate levels of reserves will be maintained.

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

In preparing these financial statements, the trustees are required to:

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

New Trustees

New trustees are appointed by the current trustees board, and training will be provided where necessary.

Reserves Policy

The home strives to maintain sufficient funds to enable six months running costs.

Risks

The major risk facing the charity is if occupancy rates fall below an acceptable level and this is monitored at all trustee meetings.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

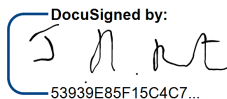
The Grove Residential Home (Solihull)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

The trustees' annual report was approved on 20 December 2023 and signed on behalf of the board of trustees by:

DocuSigned by:

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J. R. Bates
Trustee

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Grove Residential Home (Solihull)

Year ended 31 March 2023

Opinion

We have audited the financial statements of The Grove Residential Home (Solihull) (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Grove Residential Home (Solihull) *(continued)*

Year ended 31 March 2023

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Grove Residential Home (Solihull) (continued)

Year ended 31 March 2023

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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:

Our assessment focused on key laws and regulations the charity has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice, Charities SORP and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to detect irregularity included, but was not limited to, the following:

1. An understanding of the legal and regulatory framework applicable to the charity and how the charity is complying.
2. Obtaining an understanding of the charity's policies and procedures and how the charity has complied with these, through discussions and sample testing.
3. An understanding of the charity's risk assessment process, including the risk of fraud.
4. Performing audit work over the risk of management override of controls, including testing of journal entries for appropriateness. Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Also the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. We are not responsible for preventing non-compliance and cannot be expected to detect noncompliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Grove Residential Home (Solihull) (continued)


Year ended 31 March 2023

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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David Pearson (Senior Statutory Auditor)

For and on behalf of
Edwards Pearson & White (Audit) Limited
Chartered Certified Accountants & statutory auditor
8 Jury Street
Warwick
CV34 4EW

21 December 2023

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2023

		Unrestricted funds £	2023 Restricted funds £	Total funds £	2022 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	7,750	16,414	24,164	53,354
Charitable activities	6	1,130,866	–	1,130,866	1,037,898
Investment income	7	1,705	–	1,705	–
Total income		<u>1,140,321</u>	<u>16,414</u>	<u>1,156,735</u>	<u>1,091,252</u>
Expenditure					
Expenditure on charitable activities	8,9	(1,100,717)	(16,269)	(1,116,987)	(1,021,281)
Total expenditure		<u>(1,100,717)</u>	<u>(16,269)</u>	<u>(1,116,987)</u>	<u>(1,021,281)</u>
Net (expenditure)/income and net movement in funds		<u>39,604</u>	<u>145</u>	<u>39,748</u>	<u>69,971</u>
Reconciliation of funds					
Total funds brought forward		747,134	24,631	771,765	701,794
Total funds carried forward		<u>786,738</u>	<u>24,776</u>	<u>811,514</u>	<u>771,765</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 12 to 20 form part of these financial statements.

The Grove Residential Home (Solihull)

Company Limited by Guarantee

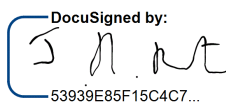
Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	15	237,219	246,080
Current assets			
Stocks	16	2,150	—
Debtors	17	40,033	5,778
Cash at bank and in hand		625,686	583,487
		<u>667,869</u>	<u>589,265</u>
Creditors: amounts falling due within one year	18	<u>93,575</u>	<u>63,580</u>
Net current assets		<u>574,294</u>	<u>525,685</u>
Total assets less current liabilities		<u>811,513</u>	<u>771,765</u>
Net assets		<u>811,513</u>	<u>771,765</u>
Funds of the charity			
Restricted funds		24,776	24,631
Unrestricted funds		786,738	747,134
Total charity funds	20	<u>811,514</u>	<u>771,765</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 20 December 2023, and are signed on behalf of the board by:

DocuSigned by:

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J. R. Bates
Trustee

The notes on pages 12 to 20 form part of these financial statements.

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Net (expenditure)/income	39,748	69,971
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	6,937	7,289
Loss on disposal of tangible fixed assets	1,924	—
Accrued expenses	33,954	9
<i>Changes in:</i>		
Stocks	(2,150)	—
Trade and other debtors	(34,255)	2,362
Trade and other creditors	(3,959)	9,613
Cash generated from operations	42,199	89,244
Net cash from operating activities	42,199	89,244
Net increase in cash and cash equivalents	42,199	89,244
Cash and cash equivalents at beginning of year	583,487	494,243
Cash and cash equivalents at end of year	625,686	583,487

The notes on pages 12 to 20 form part of these financial statements.

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee with company number 04866257, incorporated and registered in England and Wales and a registered charity in England and Wales with charity number 1102533. The address of the registered office is 48 Lode Lane, Solihull, West Midlands, B91 2AE, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity and rounded to the nearest £.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 2% straight line
Equipment	- 15% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Financial instruments

The company only has basic financial instruments.

- Financial assets

Financial assets comprise items such as cash at bank and in hand, trade and other debtors. These are initially recorded at cost on the date they originate. The company considers evidence of impairment for all individual elements comprising financial assets and any subsequent impairment is recognised in profit or loss.

- Financial liabilities

Financial liabilities comprise items such as corporation and other taxes, bank and bank loans, accruals and trade and other creditors. These are initially recorded at cost on the date they originate, net of transaction costs where applicable. The company considers evidence of impairment for all individual elements comprising financial liabilities and any subsequent impairment is recognised in profit or loss.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The company is limited by guarantee and does not have a share capital. Each member gives a guarantee to contribute a sum not exceeding £1, to the company should it be wound up. At 31/03/2023 there were 6 trustees.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations and legacies	7,750	–	7,750
Garden fund	–	6,444	6,444
Grants			
Government grant income	–	–	–
Other grant income	–	9,970	9,970
	<u>7,750</u>	<u>16,414</u>	<u>24,164</u>

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations and legacies	400	–	400
Garden fund	–	11,810	11,810
Grants			
Government grant income	41,144	–	41,144
Other grant income	–	–	–
	<u>41,544</u>	<u>11,810</u>	<u>53,354</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Residents income	<u>1,130,866</u>	<u>1,130,866</u>	<u>1,037,898</u>	<u>1,037,898</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	<u>1,705</u>	<u>1,705</u>	<u>–</u>	<u>–</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Charitable Activities	1,075,421	16,269	1,091,690
Support costs	25,296	–	25,297
	<u>1,100,717</u>	<u>16,269</u>	<u>1,116,987</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Charitable Activities	1,003,762	–	1,003,762
Support costs	17,519	–	17,519
	<u>1,021,281</u>	<u>–</u>	<u>1,021,281</u>

The Grove Residential Home (Solihull)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Charitable Activities	1,091,690	–	1,091,690	1,003,762
Governance costs	–	25,297	25,297	17,519
	<u>1,091,690</u>	<u>25,297</u>	<u>1,116,987</u>	<u>1,021,281</u>

10. Analysis of support costs

	Other Accountancy Costs £	Auditors remuneration £	Total 2023 £	Total 2022 £
Legal and professional fees	<u>15,696</u>	<u>9,600</u>	<u>25,296</u>	<u>17,520</u>

11. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	<u>6,937</u>	<u>7,289</u>

12. Auditors remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	<u>9,600</u>	<u>–</u>

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023 £	2022 £
Wages and salaries	659,317	655,186
Social security costs	38,685	34,362
Employer contribution to pension plans	<u>9,799</u>	<u>18,610</u>
	<u>707,801</u>	<u>708,158</u>

The average head count of employees during the year was 38 (2022: 41). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 £	2022 £
Number of staff	32	34

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

The Grove Residential Home (Solihull)

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

14. Trustee remuneration and expenses

No trustee's received any remuneration or expenses during the current year (2022: Nil)

15. Tangible fixed assets

	Freehold property £	Equipment £	Total £
Cost			
At 1 April 2022	343,197	89,524	432,721
Disposals	–	(86,104)	(86,104)
At 31 March 2023	343,197	3,420	346,617
Depreciation			
At 1 April 2022	99,528	87,113	186,641
Charge for the year	6,864	73	6,937
Disposals	–	(84,180)	(84,180)
At 31 March 2023	106,392	3,006	109,398
Carrying amount			
At 31 March 2023	236,805	414	237,219
At 31 March 2022	243,669	2,411	246,080

16. Stocks

	2023 £	2022 £
Raw materials and consumables	2,150	–

17. Debtors

	2023 £	2022 £
Trade debtors	33,087	–
Prepayments and accrued income	6,946	5,778
	40,033	5,778

18. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	29,428	31,669
Accruals and deferred income	57,993	24,039
Social security and other taxes	6,154	7,872
	93,575	63,580

19. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £9,799 (2022: £18,610).

The Grove Residential Home (Solihull)

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

20. Analysis of charitable funds

Unrestricted funds

	At 1 April 2022	Income	Expenditure	At 31 March 2023
	£	£	£	£
General funds	<u>747,134</u>	<u>1,140,321</u>	<u>(1,100,717)</u>	<u>786,738</u>

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
General funds	<u>688,973</u>	<u>1,079,442</u>	<u>(1,021,281)</u>	<u>747,134</u>

Restricted funds

	At 1 April 2022	Income	Expenditure	At 31 March 2023
	£	£	£	£
Restricted fund for the development of the garden	<u>24,631</u>	<u>16,414</u>	<u>(16,269)</u>	<u>24,776</u>

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
Restricted fund for the development of the garden	<u>12,821</u>	<u>11,810</u>	<u>—</u>	<u>24,631</u>

21. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	2023
	£	£	£
Tangible fixed assets	237,219	—	237,219
Current assets	643,093	24,776	667,869
Creditors less than 1 year	(93,575)	—	(93,575)
Net assets	<u>786,737</u>	<u>24,776</u>	<u>811,513</u>

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	2022
	£	£	£
Tangible fixed assets	246,079	—	246,079
Current assets	564,635	24,631	589,266
Creditors less than 1 year	(63,580)	—	(63,580)
Net assets	<u>747,134</u>	<u>24,631</u>	<u>771,765</u>

The Grove Residential Home (Solihull)

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

22. Analysis of changes in net debt

	At 1 Apr 2022	Cash flows	At 31 Mar 2023
	£	£	£
Cash at bank and in hand	583,487	42,199	625,686

23. Limitation of auditors liability

The company on 3rd November 2023 has entered into a limitation of auditors liability with the auditor limiting the auditor's liability to a maximum of £1,500,000 (including interest).

24. Related parties

Included in the accounts is £69,968 (2022: £37,002) in respect of repairs and maintenance payments made to A. J. Huggins. A. J. Huggins is the partner of D. Huggins who is a trustee of the charity.

J. Bates, who is a trustee of the charity, is also a governor of Birmingham University. During the year, Birmingham University provided physiotherapy services to the charity amounting to £2,519 (2022: £nil).

25. Controlling party

No one person controls the company.