



BARROWMORE



Barrowmore residents and staff

16th Annual Report and Consolidated Accounts of Barrowmore Limited For the year ended 31 December 2022



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Barrowmore Limited

Reference and Administrative Details For the Year Ended 31 December 2022

Charity Registration Number: 1117551

Company Registration Number: 05988028

Trustees: Mr A W Morrison
Dr N V Fergusson
Mr N A Eckersley
Mr J H D Heath
Mr J F C Arnold

Principal and Registered Office: Barnhouse Lane
Great Barrow
CHESTER
CH3 7JA

Chief Executive and Company Secretary: Mr P Haycock

The Charity's professional advisors are as follows:

Auditors: Champion Accountants LLP
2nd Floor
Refuge House
33-37 Watergate Row
CHESTER
CH1 2LE

Bankers: National Westminster Bank
33 Eastgate Street
CHESTER
CH1 1LG

Solicitors: Cullimore Dutton
20 White Friars
CHESTER
CH1 1XS

Barrowmore Limited

Report of the Trustees For the Year Ended 31 December 2022

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the consolidated financial statements of the charity and its subsidiary for the year ended 31 December 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association 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).

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as its trustees.

The Board of Trustees is the hub of governance and policy at Barrowmore. The trustees serving during the period up to the date of this report were as follows:

Dr N V Fergusson
Mr J H D Heath
Mr N A Eckersley

Mr A W Morrison
Mr J F C Arnold (appointed 12/07/2022)

Structure, Governance and Management

Governing Document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, as defined by the Companies Act 2006.

Patron

Barrowmore is currently seeking a new patron for the charity.

Appointment of New Trustees

No other body is entitled to appoint trustees to the charity and appointments are made by invitation and election in accordance with the charity's policy for recruitment of trustees. Trustees are appointed to provide the skills identified as being necessary for the good governance of Barrowmore Limited. The induction of new trustees is tailored to the needs of the individual but includes the provision of key documents and information relating to the charity.

Management Structure

The operational management structure of the charity has now been in place for a number of years. The Chief Executive reports directly to the Board of Trustees and has the responsibility for the implementation of policy as laid down and agreed by the trustees. Reporting to the Chief Executive are individual managers responsible for Housing, Estate, Management, and Finance. As a charity, the requirement to maintain tight control of costs is paramount. Consequently many of our managers have dual roles and responsibilities within the management structure and use is made of outsourcing services such as public relations wherever necessary. Any increase in salary for management will be discussed at a directors' meeting and agreed at that meeting. In the case of the CEO's remuneration, any increase in salary will be proposed by the chairman to the Directors for consideration.

Risk Management

The trustees have introduced formal risk management processes to assess business risks within the charity. This has involved the identification of types of risks the charity faces, prioritising them in terms of potential impact and the likelihood of occurrence and its effect on the charity's income and operational effectiveness.

Initiated within and actioned by the management team, the exercise covers all identifiable risks posed to the effective progress of the charity. A risk mapping exercise is undertaken within each department, firstly identifying possible risk areas before evaluating the potential effects based upon a likelihood/impact measurement.

Risks have been identified in all areas ranging from financial risks such as fraud to operational risks including loss of contracts and loss of key personnel, affecting all departments.

Barrowmore Limited

Report of the Trustees For the Year Ended 31 December 2022

Objectives and Principal Activities of the Charity

Mission Statement

Barrowmore is a registered Charity wholly committed to assisting people with a disability to achieve their full potential.

1. The object of the Charity is to promote the benefit of people resident in England and Wales with disabilities particularly but not exclusively:
 - a) To provide the opportunity for meaningful employment.
 - b) To provide accommodation and support facilities for people with disabilities.
 - c) To provide opportunities for people with disabilities to achieve their full potential through education, training and assessment facilities.
2. The trustees may apply income of the charity in relieving the need, hardship or distress of disabled persons who have been assisted previously by the charity and their dependents; and the dependents of persons who, at the date of their death, were being assisted by the charity provided that in each case preference shall be given to disabled persons who have served in the armed forces of the Crown.

The Vision

Barrowmore will always provide the highest quality of care and support and quality of life for an increasing number of people with a disability in the North West.

To provide the highest quality support facilities for the development of people with a disability to achieve their full potential through training and assessment facilities.

To provide more opportunities for meaningful employment for people with a disability on the Barrowmore site and through the Work Choice Programme.

To increase the profile of Barrowmore and its activities to attract the funding and investment required from whatever source to achieve those objectives.

What we do

Barrowmore achieves its aims in terms of the provision of meaningful employment, supported housing, one to one tailored training and development of vulnerable people with disabilities. Barrowmore has never defined the disabilities with which we deal. Consequently our beneficiaries may suffer from physical disabilities, mental health issues, sensory impairment or be wheelchair users. In addition, the vast majority suffer from a learning disability. Further, the majority of our residents have lifestyle issues which, in addition to their disability, require a high level of understanding and management by the staff. In attempting to provide the best possible support for our people, whether it be in the field of employment, accommodation or training, we have developed relevant information systems to assess and benchmark our progress.

Residents

Through regular monthly house meetings the residents are encouraged to participate in discussions around general operations, health and safety general concerns and social events and activities. Following on from these meetings the residents at Barrowmore enjoyed lots of social events in 2022 including camping on the estate, quiz nights, bingo evenings, pool and snooker competitions, cinema evenings and theme nights and a holiday to Porthmadog.

Employment

The Department's new contracting and commissioning procedures precluded many charities and voluntary organisation throughout the country from participating in the new Scheme. In the case of Barrowmore this was despite its 80 year track record in Supported Employment. Shaw Trust was appointed Prime Contractor for most regions and subcontractors were named, in the main, by Local Authorities. Barrowmore continues to employ vulnerable people as the funding Barrowmore staff used to receive from Cheshire West and Chester for 11 Barrowmore employees from the Supporting People contract ceased in October 2015.

Barrowmore Limited

Report of the Trustees For the Year Ended 31 December 2022

Housing

Barrowmore House is an establishment located on the Barrowmore site providing high quality supported accommodation for 42 people with disabilities. Barrowmore as part of its review in 2015 identified unused storage rooms/underutilised areas to increase the overall number of residential rooms to 42 from 35 to offset the impact of CWAC cuts of £328,000.

Supporting People is a dynamic programme encouraging people to become more independent and, in 2006, the charity identified the problem of a shortage of appropriate move-on accommodation in the Chester area for people with a disability, to live more independent lives. The trustees therefore sanctioned a development of 14 bungalows to provide much needed interim move-on accommodation for residents of Barrowmore House and other similar establishments. This was named Barrowmore Court and was completed in November 2008 and is currently full to capacity.

Volunteers

With the problems affecting small third sector organisations, in terms of contracting and commissioning through service level agreements with local authorities and government departments, the importance of volunteers has never been greater. In 2022, we received teams from Lloyds Bank, MBNA CISCO, RSMUK and M&S totalling 143 volunteers.

Public Benefit

The trustees confirm that they have, when and where necessary to do so, paid regard to the Charity Commission's Guidance on Public Benefit when considering and making its decisions.

Supported housing and supported living that is offered to over 64 residents at Barrowmore continues to further the charity's purpose. In addition this has an overall positive impact on the local community as a lot of the residents have social issues that could potentially cause disruption. From a financial perspective it would also cost more, which would be paid for from the public finances, if the services that are offered at Barrowmore were to cease. The parklands, woodland walks and social enterprises such as the Café are open to the public to use and enjoy.

Achievements and Performance

Supported Employment

Barrowmore employs 21 % of the work force in a supported capacity and self-funds due to all grants and programmes being withdrawn from the local authority since October 2015.

Supported Housing

Barrowmore House continues to provide a much needed provision in terms of supporting vulnerable people with a disability and assisting its residents towards a more independent lifestyle. Not only does the provision make a difference to people's lives, it provides major cost benefits to the community. An exercise undertaken in 2010 shows that the Barrowmore House provision saves the Local Authority, the PCT and the National Health Service, a significant amount of money.

However the Supporting People contracts throughout Cheshire were due for renewal in March 2014 but this was extended until 31st March 2015. The Supporting People contract was awarded to Stonham Home group. Five Barrowmore employees who were in Supporting People roles TUPE'd over to Stonham Home Group or took redundancy. Stonham Home group now offer Barrowmore residents "Floating Support". The current contract expired with CWAC and Stonham Homegroup 31st March 2017. The contract was then awarded to ForViva who are a part of Forum, the new contract started on 1st April 2017. ForViva met with Barrowmore 14th May 2018 to confirm that they were withdrawing services with Barrowmore as from 31st May 2018. The two ForViva employees that were working 5 days a week onsite at Barrowmore offering Floating Support left at the end of May 2018, we no longer have any assistance from CWAC or ForViva in relation to support for our residents.

Barrowmore Court, the charity's interim move-on accommodation project continues to provide a service relevant to the needs of the service users. Despite funding being unavailable for the ongoing support and development of the individual residents, progress continues to be made in equipping the residents for a final move to independent living. Barrowmore, as a long term aim, seeks to offer a floating support service to all its former residents when required. Including the four refurbished bungalows in Robinson Close, Barrowmore can now offer 62 supported rooms/flats on site in addition to houses on Irons Lane which may become available.

All service users, whether long or short term residents, are given training and instruction in developing their living skills to promote a more independent lifestyle wherever possible.

Our service users, whether in Barrowmore House, Barrowmore Court or Robinson Close, are encouraged to partake in all the activities provided under the Supported Housing banner. A Social Committee is in operation, organising visits and events on a regular basis and members of the Residents' Committee continue to meet monthly with the Chief Executive and the Housing Manager to raise any matters, suggestions or indeed any grievances which they may have.

Barrowmore Limited

Report of the Trustees For the Year Ended 31 December 2022

Maintenance

It is recognised that the assets of the charity require a great deal of care, attention and expenditure each year in respect of maintenance and refurbishment, particularly the business units within the Enterprise Estate which are now in excess of eighty years old. In the main this work has been undertaken by external contractors but with our own maintenance team and a training programme in place, the benefits of utilising our own labour on some maintenance aspects are two-fold; some cost savings and the opportunity for our disabled employees to learn new skills.

It is therefore a medium term objective to upgrade the units, including possible replacement of roofs, to try and ensure that the Estate provides a healthy income rather than a diminishing asset in terms of profitability as it has done for some years now. As well as continuing to provide the charity with a source of income it can provide and maintain a role in supporting rural employment.

Parkland

Irrespective of its responsibility in terms of the charity, the directors are aware of its stewardship role in respect of Barrowmore Estate and its responsibility to ensure that the environment is maintained to the highest possible standard. We continue to work with a number of organisations such as Cheshire Wildlife Trust, FWAG and Flintshire Woodland, who have undertaken surveys to identify the ways forward in managing and maintaining the conservation aspect of the estate in a correct manner.

It should be acknowledged that the cost of maintaining the grounds and properties of the charity are extremely high and the trustees are currently looking at forms of income to help offset this expenditure.

Residential Estate

Rentals from the residential properties on Irons Lane, Barrowmore Court and Robinson Close, some of which are also included within supported housing, provide both income generation for the funding of our activities and also provide accommodation for some of our people with disabilities who are able to lead a more independent life than those who live in Barrowmore House.

Any of our properties becoming vacant are let with the provision that preference is given to people with disabilities. On this basis, Cheshire West and Chester (social services) are notified of any vacancies and given a certain time scale to identify clients who may be suitable for this type of accommodation. With the problems outlined regarding the lack of move-on accommodation under Supporting People, the possibility of using vacant properties as half-way accommodation, with floating support, becomes more important.

The charity currently owns 14 houses on Irons Lane.

Redevelopment of the Estate

During 2011 the Charity was approached by a development company to purchase an area of some 3.1 acres on the west side of the estate for the provision of residential properties. This proposal would offer the charity the opportunity to redevelop the east side of the estate. It is anticipated that if successful, the redevelopment would include a refurbishment of a number of business units together with enhancement of facilities covering both charitable and income generating purposes, along with an element of social enterprise.

During 2016 Bloor Homes decided not to pursue this option and as a result the planning application was withdrawn. Barrowmore instructed architects to look at a number of different schemes to be drawn up for public consultation. The Open Public Consultation was held at the Barrow Primary school for seven days during February 2018. The community had the opportunity to look at six different schemes, five domestic schemes and one commercial scheme. The community also had the opportunity to vote for their preferred scheme. Barrowmore have now submitted a new application to the Planning Officer with fewer units and an appropriate mix of houses that align with the Parish Council's Neighbourhood Development Plan.

The Barrowmore Café opened in November 2013 and has completed its eighth year in which it continued to be very successful. It continues to provide a service to residents, service users, staff, the business park tenants, the local community and the general public. It has created employment and volunteer opportunities, along with training and qualifications to people with learning difficulties. This is the start of social enterprise and regeneration for Barrowmore. We were successful in obtaining a grant of £50,000 from the MBNA Foundation to extend the Café in order to accommodate more customers. The Café extension was built in the second half of 2019. Due to COVID-19 the Café remained closed for most of 2020, but opened its doors once again in June 2021.

Barrowmore Enterprise Estate

The Enterprise Estate continues to provide a level of income to offset the costs of the service provision and activities with which the charity is involved. At the time of writing all of the business units are taken and our main difficulty is to ensure that adequate measures in terms of maintenance are taken to ensure that the units are kept in a good state of repair and continue to provide a level of income. Over the past few years over £150,000 has been spent on the maintenance of the services infrastructure. Back in 2007/8 a major exercise was undertaken to examine and renew a significant amount of electrical wiring on the estate to ensure compliance with current legislation.

As mentioned earlier, it should be noted that the financial returns from the Enterprise Estate are declining due to the heavy maintenance requirement and it has been recognised that because of this, the Enterprise Estate in its present state would have a limited life but if the development plan above is approved part of the revenue received could be utilised to accelerate the upgrading of the facilities.

Barrowmore Limited

Report of the Trustees For the Year Ended 31 December 2022

Financial Review

Summary of Year End Position

The Statement of Financial Activities (SOFA) for 2022 is set out on page 10 and shows the analysis of the charity's incoming resources and expenditure of those resources.

The management of the charity is always conscious of the need to maintain costs at a manageable level and it is pleasing to report that in a time of such change and development this is being achieved.

The trustees are provided with management accounting information quarterly and cashflow on a monthly basis to ensure that they are fully aware of the ongoing financial status of the organisation.

The results for the year show the Group's reserves are £8,150,306 (2021: £8,170,227) with a group deficit in the year of £19,921 (2021 - £438,436 surplus after investment property revaluation increases of £350,000). The trading subsidiary, Barrowmore Social Enterprises Limited, produced a loss of £9,560 (2021: £10,683 profit).

The principal funding sources come in the way of individual residents who are either self-funders or who receive a number of individual benefits such as Housing Benefit, Disability Living Allowance, Personal Independence Payments, and Carers Allowance etc. Income from this area is consistent with last year.

Total income has decreased by £7,081 (0.6%) overall which is attributable to a reduction in the government grants available as a result of the Coronavirus Job Retention Scheme closing in September 2021 that has been partially offset by the increase in café sales after reopening in June 2021.

There has been a £61,628 (5.6%) increase in expenditure during the year as a result of the increased cost of the café after fully reopening in June 2021 following the relaxation of COVID-19 restrictions.

Reserves Policy

The trustees and management continually review the level of reserves required by the charity. The charity aims to have free reserves which are those unrestricted funds not invested in fixed assets. The trustees consider that as a relatively small charity with a fairly predictable income stream and with average monthly outgoings of under £100,000 that the short to medium term target for liquid assets at the end of any given month should currently be set at £200,000 to £250,000. The charity improved its free reserves position in the year to £582,905 at 31 December 2022 (2021: £562,151) and is therefore in excess of its target free reserves.

Restricted funds at the year-end amounted to £Nil (2021 - £Nil) as the charity had no restricted funds brought forward and received no restricted funds during the year.

There are currently no designated funds.

Plans for Future Periods

The Board has recognised that in addition to accessing resources in terms of competitive tendering, partnership working with other similar minded organisations presents a way of pooling resources and spreading risk. Further, partnerships with commercial organisations with an empathy with the aims and objectives of Barrowmore would prove beneficial to both parties. Barrowmore recognised the need to move forward by diversifying and adopting social enterprise and regeneration.

Chairman's Thanks

It has been an honour to continue to undertake the role of chairman of Barrowmore in 2022. That role is made so much easier by the fact that the charity has a board of significant collective experience and very high-quality individual skills covering all aspects of the business and social aspects of the charity. As these highly professional skills and the time given by the trustees are on a voluntary basis, I thank them once again on behalf of Barrowmore for their continued committed support during 2022.

Mr Haycock and his staff are to be thanked and congratulated on the continued advances that they have made again in respect of the overall performance of the organisation. In particular coming out of the COVID Pandemic.

The ongoing significant changes that continued during the past year continued a positive and creative approach that the Barrowmore team have been able to create an environment of achievement in all sectors of the business.

In addition Mr Haycock and his team have ensured that all of the residents have received their fourth COVID vaccination. During the past year, the residents have enjoyed numerous in-house activities along with another camp out including activities such as archery, football, basketball, and BBQ's, along with a week's holiday to Haven Holiday Park in Porthmadog. The residents enjoyed Go-Karting, trips to underground caves and the beach. All these activities have been instrumental for the wellbeing of our residents, and we see improvements with residents becoming more confident and independent on a daily basis.

Barrowmore Limited

Report of the Trustees For the Year Ended 31 December 2022

Ongoing works has been completed to the rooms in Barrowmore House, full refurbishments to include, new bathrooms suites, full redecoration along with new flooring. In addition works have been completed to properties in Barrowmore Court to include external re painting of all doors and facias along with replacement boilers in some of the flats.

It has been very encouraging that we have through continued prudent management been able to see our cashflow levels continue to increase each year and to help achieve one of our critical aims of achieving a more comfortable protective financial status for the charity to enable us to withstand any exceptional major challenges whilst continuing to achieve our social aims as stated above.

On behalf of myself and my fellow directors I should like to express our gratitude to Mr Haycock and the staff that have continued to work throughout 2022 and the ongoing commitment to the residents and the charity as a whole and for the very professional manner in which they have addressed all challenges in 2022.

Trustees' indemnity arrangements

Individual indemnities have been provided to the trustees, under which the company has agreed to indemnify the trustees to the extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with, their execution of their powers, duties and responsibilities as trustees of the company. These indemnities are qualifying Third Party Indemnity Provisions as defined in Section 236 of the Companies Act 2006 and copies are available for inspection in the office during normal working hours.

Auditors

The auditors, Champion Accountants LLP, have indicated their willingness to be reappointed at the AGM.

Statement of Trustees Responsibilities

The charity trustees (who are also the directors of Barrowmore Limited for the purpose of Company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

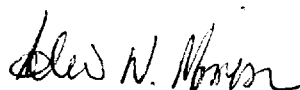
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

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

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

This report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

On behalf of the Board:



Mr A W Morrison
Trustee

2 June 2023

Barrowmore Limited

Independent Auditors' Report to the Members and Trustees of Barrowmore Limited For the Year Ended 31 December 2022

Opinion

We have audited the accounts of Barrowmore Limited (the 'charity') and its subsidiary (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Statement of Cash Flow and the notes to the accounts, 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 accounts:

- give a true and fair view of the state of the group's and charity's affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 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 trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
 - the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
 - certain disclosures of directors' remuneration specified by law are not made; or
 - we have not received all the information and explanations we require for our audit; 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.
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Barrowmore Limited

Independent Auditors' Report to the Members and Trustees of Barrowmore Limited For the Year Ended 31 December 2022

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees' (who are also the directors of the parent 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 group's and 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 group or the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011.

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.

The responsibility for the prevention and detection of irregularities, including fraud, lies with the trustees and with those charged with governance of the charity. The objectives of our audit in respect of irregularities and fraud are to assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient, appropriate audit evidence regarding the assessed risks and to respond appropriately to fraud or suspected fraud identified during the audit.

We determine significant applicable laws and regulations through discussion with those charged with governance of the charity and our own knowledge of the charity sector and design audit procedures to help identify instances of non-compliance with those laws and regulations that may have a material effect on the financial statements.

We consider the applicable laws and regulations to be the financial reporting framework (FRS 102 and the Companies Act 2006), Charity Law, the relevant tax regulations in the UK, employment law, the Health and Safety at Work Act 1974 and Safeguarding legislation.

We consider the control environment and the procedures in place to address identified risks, including management override, non-compliance with laws and regulations and to prevent and detect fraud or irregularity. Our procedures are designed to provide reasonable assurance that the financial statements are free from material misstatement or error and include: enquiries of management and of staff in key compliance functions; review of minutes of meetings of those charged with governance; review and testing of manual journals and significant transactions outside the normal course of business; review of financial statement disclosures and testing to supporting documentation; performance of analytical procedures.

We are not responsible for preventing non-compliance and due to the inherent limitations of an audit, as described above, the audit cannot be relied upon to detect all instances of non-compliance with laws and regulations.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and 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 members and its 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 the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Champion Accountants LLP

Andrew Hopwood BSc (Hons) FCA

Senior Statutory Auditor

For and on behalf of Champion Accountants LLP

Statutory Auditor

Champion Accountants LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

2nd Floor, Refuge House,
33-37 Watergate Row
CHESTER CH1 2LE

Date: 2 June 2023

Barrowmore Limited

Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account) For the Year Ended 31 December 2022

		Unrestricted Funds	Restricted Funds	2022 Total Funds	2021 Total Funds
	Notes	£	£	£	£
Income and endowments from:					
Donations and legacies	2	4,343	-	4,343	81,293
Charitable activities					
Supported accommodation	5	627,571	-	627,571	633,094
Other trading activities	3	165,330	-	165,330	92,126
Investments	4	356,055	-	356,055	353,867
Total income and endowments		1,153,299	-	1,153,299	1,160,380
Expenditure on:					
Raising funds					
Subsidiary - cost of sales	3	64,461	-	64,461	30,534
Subsidiary - operating costs	3	110,892	-	110,892	91,209
Charitable activities	8	747,680	-	747,680	713,813
Other - Cost of managing investments	9	248,985	-	248,985	274,834
Total expenditure		1,172,018	-	1,172,018	1,110,390
Net gains on investments	13	-	-	-	350,000
Net income		(18,719)	-	(18,719)	399,991
Transfers between funds	19	-	-	-	-
Other recognised gains/(losses):					
- Gains on revaluation of freehold property	11	-	-	-	-
- Actuarial gains/(losses) on defined benefit pension plans	18	(1,202)	-	(1,202)	38,445
Net movement of funds		(19,921)	-	(19,921)	438,436
Reconciliation of funds					
- Total funds brought forward		8,170,227	-	8,170,227	7,731,791
- Total funds carried forward		8,150,306	-	8,150,306	8,170,227

There are no recognised gains and losses other than as stated above.
All income and expenditure derive from continuing activities.
The notes form part of these financial statements.

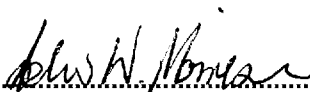
Barrowmore Limited

Consolidated Balance Sheet For the Year Ended 31 December 2022

	Notes	2022 Group £	2021 Group £	2022 Company £	2021 Company £
Fixed assets					
Tangible assets	11	2,757,401	2,798,076	2,745,492	2,780,616
Investments					
- Investments in subsidiaries	3, 12	-	-	1	1
- Investment property	13	4,810,000	4,810,000	4,810,000	4,810,000
		<u>7,567,401</u>	<u>7,608,076</u>	<u>7,555,493</u>	<u>7,590,617</u>
Current assets					
Stocks	14	1,617	1,317	1,300	1,000
Debtors	15	97,153	61,320	113,151	96,125
Cash at bank and in hand		<u>671,170</u>	<u>649,448</u>	<u>670,021</u>	<u>630,894</u>
		<u>769,940</u>	<u>712,085</u>	<u>784,472</u>	<u>728,019</u>
Liabilities					
Amounts falling due within one year	16	(177,889)	(132,946)	(168,629)	(129,097)
Net current assets		<u>592,051</u>	<u>579,139</u>	<u>615,843</u>	<u>598,922</u>
Total assets less current liabilities		<u>8,159,452</u>	<u>8,187,215</u>	<u>8,171,336</u>	<u>8,189,539</u>
Defined benefit pension scheme liability	18	(9,146)	(16,988)	(9,146)	(16,988)
Net assets		<u>8,150,306</u>	<u>8,170,227</u>	<u>8,162,190</u>	<u>8,172,551</u>
The funds of the charity:	20				
Unrestricted funds:					
- General fund	19	7,426,992	7,431,063	7,438,876	7,433,387
- Revaluation reserve	19	723,314	739,164	723,314	739,164
Restricted income funds	19	-	-	-	-
Total funds		<u>8,150,306</u>	<u>8,170,227</u>	<u>8,162,190</u>	<u>8,172,551</u>

The trustees have prepared group accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board of Trustees on 2 June 2023 and were signed on its behalf by:



 Mr A W Morrison
 Company Number : 05988028

The notes form part of these financial statements.

Barrowmore Limited

Consolidated Statement of Cash Flow For the Year Ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities	(265,789)	(174,245)
Cash flows from investing activities		
Rent received	268,677	263,741
Service and rechargeable expenses	87,378	90,126
Payments to acquire tangible fixed assets	(59,501)	(9,147)
Cash flows from financing activities		
Interest paid	-	(1,051)
Pension scheme expenses	(1,400)	-
Repayment of pension deficit	(7,643)	(15,293)
Increase in cash and cash equivalents	21,722	154,131
Cash and cash equivalents at the beginning of the year	649,448	495,318
Cash and cash equivalents at the end of the year	671,170	649,449
Reconciliation of net incoming resources before transfers to net cash flow from operating activities		
Net movement of funds	(19,921)	438,436
Depreciation/Impairment charges	100,175	90,336
(Increase)/decrease in stock	(300)	350
(Increase)/decrease in debtors	(35,833)	4,250
Increase/(decrease) in creditors	44,943	33,644
Less: Unrealised net gains on investments	-	(350,000)
Less: Actuarial (gain)/loss on defined benefit pension plans	1,202	(38,445)
Less: Rent received	(268,677)	(263,741)
Less: Service and rechargeable expenses	(87,378)	(90,126)
Add: Bank interest payable	-	1,051
Net cash flow from operating activities	(265,789)	(174,245)

Analysis of changes in net (debt)/funds

	At 1 Jan 2022 £	Cashflows £	At 31 Dec 2022 £
Cash at bank and in hand	649,448	21,722	671,170
Total Funds	649,448	21,722	671,170

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

1 Accounting Policies

Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), Charities SORP (FRS 102) and the Companies Act 2006. Barrowmore Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note below.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Basis of consolidation

The Consolidated Statement of Financial Activities, the Consolidated Balance Sheet and the Consolidated Statement of Cash Flows include the financial statements of the company and its subsidiary undertakings made up to 31st December 2022. There are uniform policies across the group and intra group transactions are eliminated on consolidation. Consolidation is on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

Going Concern

The trustees feel that Barrowmore is well placed to negotiate the challenging conditions currently facing the UK economy. The charity's income, in the main, is government funded by Cheshire West & Chester via Housing Benefit payments, its current level of cash is positive and has over six months' worth of expected annual costs currently in the bank account. Its freehold property unencumbered, which gives the trustees comfort in being able to meet the Charity's liabilities for the coming 12 months.

In reaching their conclusion, the trustees have considered the company's monthly cash flows and applied sensitivity analysis as appropriate.

Barrowmore's income is 65% residential and 35% commercial. Barrowmore are actively seeking funding from grants from external sources.

After consideration of all factors, the trustees continue to adopt the going concern basis in preparing the financial statements.

The funds of the charity

Unrestricted funds are those funds for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are those funds which are to be used in accordance with specific restrictions imposed by donors.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Investment income comprises rents receivable, service and rechargeable expenses and interest on cash balances, and is recognised on an accrual basis.

In respect of 'Other trading activities' revenue represents the amount received or receivable for goods and services sold during the year, exclusive of Value Added Tax. Revenue is recognised in the financial statements when the goods are sold to the customer. Café sales are made in the United Kingdom and are usually in cash or by debit/credit card.

Donated services and facilities are included at the value to the charity where this can be quantified. No amounts are included in the financial statements for time donated by volunteers.

Resources expended

Expenditure is accounted for on an accruals basis and is recognised where there is a legal or constructive obligation to pay:

- a) Raising funds includes costs of costs of non-charitable trading.
- b) Cost of charitable activities relate to the work carried out on the core purpose of assisting people with a disability.
- c) Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. Where governance costs cannot be directly attributed, they are split 60% and 5% across the relevant charitable activities and 35% are allocated to 'Other - Cost of managing investments'.
- d) Support costs are those costs incurred directly in support of expenditure on the objectives of the charity. Where support costs cannot be directly attributed, they are split 65% to charitable activities and 35% are allocated to 'Other - Cost of managing investments'.
- e) 'Other – Costs of managing investments' are the costs associated with managing and maintaining the Enterprise Estate together with the properties on Irons Lane.

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

Tangible fixed assets

Freehold buildings are included at valuation. Formal valuations are performed every three years. All other tangible fixed assets are included at cost. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	2% to 10% on cost
Plant and machinery	20% on cost
Fixtures and fittings	20% on cost
Motor vehicle	20% on cost

Capital items costing less than £250 are written off as an expense as acquired; this more accurately reflects the assets' useful life.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the general fund.

Fixed asset investments

Investment properties are included in the balance sheet at fair value.

Barrowmore Limited holds a fixed asset investment in its subsidiaries at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors

Trade debtors include resident rent invoiced and recoverable at the year end. Prepayments and accrued income include expenditure items paid for or invoiced in advance and resident's rents due but not yet recovered at the year end.

Cash at bank and in hand

Cash at bank and cash 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.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount. Deferred income includes residents rents received in advance which relate to a period after the year end.

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 the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

Pension costs

Pension costs for the company's defined contribution scheme are charged against income in the year in which they are incurred.

The company also participates in a multi-employer defined benefit scheme, details of which are contained in note 19.

Operating leases

Rentals paid under operating leases are charged to the income and expenditure on a straight-line basis over the period of the lease.

Taxation

As a registered charity, the company benefits from rates relief and is generally exempt from Income Tax, Corporation Tax and Capital Gains Tax, but not Value Added Tax. Irrecoverable Value Added Tax is shown as a separate cost.

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Company status

Barrowmore is a company limited by guarantee. The members of the company are the trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Volunteers

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees Annual Report and note 2.

2 Donations and legacies

	Unrestricted £	Restricted £	2022 £	2021 £
Donations	1,676	-	1,676	6,430
Government grants	2,667	-	2,667	74,863
	<u>4,343</u>	<u>-</u>	<u>4,343</u>	<u>81,293</u>

All income from donations and legacies were unrestricted.

Of the £4,343 total grant income, £2,667 (2021: £49,727) relates to Barrowmore Social Enterprises Limited, a subsidiary of Barrowmore Limited.

In 2022 the charity received volunteer support of 143 volunteers (2021: 14) totalling 1,000 hours (2021: 98 hours) from the staff at Lloyds Bank, MBNA, CISCO, RSMUK and M&S. In accordance with accounting standards, the economic contribution of general volunteers is not included in the accounts.

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

3 Other trading activities

	2022 £	2021 £
Subsidiary Sales	165,312	91,672
Other income	18	454
	<u>165,330</u>	<u>92,126</u>

	Barrowmore Social Enterprise Ltd Per group Accounts £	Consolidation Adjustments £	As reported in subsidiary financial statements 2022 £	2021 £
Turnover	165,312	1,460	166,772	91,711
Cost of sales	<u>(64,461)</u>	<u>-</u>	<u>(64,461)</u>	<u>(30,534)</u>
Gross profit	100,851	1,460	102,311	61,177
Government grant income	2,667	-	2,667	49,727
Operating costs	<u>(110,892)</u>	<u>(3,646)</u>	<u>(114,538)</u>	<u>(100,221)</u>
Results for the year	<u>(7,374)</u>	<u>(2,186)</u>	<u>(9,560)</u>	<u>10,683</u>

The company owned 100% of the share capital of Barrowmore Social Enterprises Limited at 31 December 2022. The subsidiary is registered in England and Wales. Barrowmore Social Enterprises Limited's principal activity is that of café operator. The trading results are set out above.

In the year, Barrowmore Social Enterprises Limited took advantage of exemption from the audit of their individual accounts under section 479A of the Companies Act 2006.

At 31 December 2022 the company's assets, liabilities, share capital and reserves were:

	Barrowmore Social Enterprises Ltd £	As reported in subsidiary financial statements 2022 £	2021 £
Fixed Assets	11,909	11,909	17,459
Current Assets	1,859	1,859	18,871
Current liabilities	<u>(25,651)</u>	<u>(25,651)</u>	<u>(38,653)</u>
	(11,883)	(11,883)	(2,323)
Represented by Share capital and reserves	<u>(11,883)</u>	<u>(11,883)</u>	<u>(2,323)</u>

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

4 Investments

	2022 £	2021 £
Rents received	268,677	263,741
Service and rechargeable expenses	87,378	90,126
	<u>356,055</u>	<u>353,867</u>

5 Incoming Resources from Charitable Activities

	Activity	2022 £	2021 £
Barrowmore House/Court: rents	supported accommodation	627,571	633,094
		<u>627,571</u>	<u>633,094</u>

6 Net income/(expenditure) for the year

	2022 £	2021 £
This is stated after charging:		
Operating leases - equipment	5,117	3,778
Depreciation	100,175	90,336
Bank interest payable	-	1,051
Auditors remuneration		
- Audit fees	7,950	7,950
-Other fees	2,000	-
	<u>2,000</u>	<u>-</u>

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

7 Staff Costs

The aggregated payroll costs of the above were:

	2022 £	2021 £
Wages and salaries	475,892	474,537
Social security costs	31,348	36,309
Pension	20,670	18,665
	<u>527,910</u>	<u>529,511</u>

The figures above do not include agency costs of £3,018 (2021: £7,401) who cover for holidays and sickness or staff shortages, or redundancy costs of £Nil (2021: £Nil).

The trustees received no emoluments or other benefits and there were no trustees expenses paid for the year ended 31 December 2022 (2021: £Nil).

There was 1 employee earning taxable emoluments within the £70,000 to £80,000 range (2021: 1). For staff whose emoluments exceed £60,000, pension contributions amounting to £3,875 were paid for benefits under a defined contribution pension scheme (2021: £3,623).

Total key management personnel remuneration (including Employers N.I.) for the year was £102,247 (2021 - £88,853).

The average monthly head count was 24 (2021: 25) and the average number of full-time equivalent employees during the year was:

	2022	2021
Management	2	2
Supported accommodation	6	6
Administration	2	2
Maintenance	2	4
Café	3	3
	<u>15</u>	<u>17</u>

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

8 Expenditure on Charitable Activities

	Activities Undertaken		Total 2022 £	Total 2021 £
	Supported Accommodation £	Other		
Staff costs	192,141	-	192,141	165,005
Rates & water	14,459	-	14,459	3,886
Light & heat	63,095	-	63,095	68,788
Cleaning	8,609	-	8,609	7,328
Provisions	56,390	-	56,390	42,810
Insurance	17,523	-	17,523	24,617
Postage & stationery	91	-	91	284
Legal & professional	-	-	-	3,534
Depreciation	64,317	-	64,317	57,403
Leasing	2,559	-	2,559	1,889
Loan interest	-	-	-	1,051
Non recoverable VAT	27,689	-	27,689	23,834
Bad debts	2,574	-	2,574	13,182
Computer costs	504	-	504	
Repairs & renewals	72,531	-	72,531	58,152
Agency staff	3,017	-	3,017	7,401
Travel expenses	450	-	450	289
Sundries	454	-	454	(1,396)
Subscriptions	1,071	-	1,071	1,035
Animal costs	-	-	-	100
Computer costs	-	-	-	201
Governance costs (see below)	6,468	-	6,468	5,168
Support costs (see below)	213,738	-	213,738	229,252
	<u>747,680</u>	<u>-</u>	<u>747,680</u>	<u>713,813</u>

Of the total expenditure on charitable activities £745,131 (2021 - £713,813) was unrestricted and £Nil (2021 - £Nil) was restricted.

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

Governance and Support costs

	Support Costs £	Governance Costs £	Total Unrestricted 2022 £	Total Unrestricted 2021 £
Staff costs	239,089	-	239,089	285,986
Light & heat	14,506	-	14,506	4,261
Telephone	3,327	-	3,327	3,455
Cleaning	126	-	126	716
Postage & stationery	1,129	-	1,129	1,829
Advertising	1,040	-	1,040	48
Legal & professional	9,796	-	9,796	13,017
Depreciation	23,301	-	23,301	22,154
Bank charges	2,044	-	2,044	2,371
Multi-employer pension scheme costs	3,921	-	3,921	-
Leasing	2,559	-	2,559	1,889
Non recoverable VAT	8,340	-	8,340	-
Computer costs	1,277	-	1,277	2,983
Motor expenses	1,774	-	1,774	3,356
Repairs & renewals	10,190	-	10,190	6,082
Travel expenses	955	-	955	411
Sundries	2,820	-	2,820	336
Subscriptions	1,662	-	1,662	2,147
Animal costs	971	-	971	1,655
Auditor's remuneration	-	9,950	9,950	7,950
	<u>328,827</u>	<u>9,950</u>	<u>338,777</u>	<u>360,646</u>

These costs are apportioned between the various activities of the charity as shown above and in note 9.
Details of how they are apportioned are in the Accounting Policies in note 1.

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

9 Other – Cost of Managing Investments

	Total Unrestricted 2022 £	Total Unrestricted 2021 £
Rates & water	22,384	7,599
Light & heat	59,780	54,413
Telephone	7,649	7,408
Cleaning	2,527	5,250
Insurance	7,162	6,848
Postage & stationery	170	128
Legal & professional	1,370	13,233
Depreciation	7,007	7,433
Bad debts	(10,840)	12,543
Motor expenses	67	297
Repairs & renewals	33,111	29,513
Loss on sale of assets	-	-
Sundries	27	3,942
Governance costs (see Note 8)	3,482	2,783
Support costs (see Note 8)	115,089	123,444
	<hr/>	<hr/>
	248,985	274,834
	<hr/>	<hr/>

10 Parent Company Surplus/Deficit

As permitted by section 408 of the Companies Act 2006, the parent company's income and expenditure account as a single entity has not been included in these financial statements. The parent company's deficit for the financial year was £10,361 (2021: £427,752 surplus).

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

11 Tangible Fixed Assets

Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor Vehicle £	Total £
Cost/Valuation					
At 1 January 2022	2,780,000	14,599	365,868	4,750	3,165,217
Additions	-	-	59,501	-	59,501
Disposals	-	(652)	-	(500)	(1,152)
At 31 December 2022	2,780,000	13,947	425,369	4,250	3,223,566
Depreciation					
At 1 January 2022	55,600	13,790	295,192	2,560	367,142
Charge for year	55,600	183	43,542	850	100,175
Eliminated on disposal	-	(652)	-	(500)	(1,152)
At 31 December 2022	111,200	13,321	338,734	2,910	466,165
Net Book Value					
At 31 December 2022	2,668,800	626	86,635	1,340	2,757,401
At 31 December 2021	2,724,400	809	70,676	2,190	2,798,075

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

Tangible Fixed Assets (Continued)

Company

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor Vehicle £	Total £
Cost/Valuation					
At 1 January 2022	2,780,000	14,599	334,326	4,750	3,133,675
Additions	-	-	59,501	-	59,501
Disposals	-	(652)	-	(500)	(1,152)
At 31 December 2022	2,780,000	13,947	393,827	4,250	3,192,024
Depreciation					
At 1 January 2022	55,600	13,790	281,109	2,560	353,059
Charge for year	55,600	183	37,992	850	94,625
Eliminated on disposal	-	(652)	-	(500)	(1,152)
At 31 December 2022	111,200	13,321	319,101	2,910	446,532
Net Book Value					
At 31 December 2022	2,668,800	626	74,726	1,340	2,745,492
At 31 December 2021	2,724,400	809	53,217	2,190	2,780,616

It is Barrowmore Limited's policy to formally revalue its investment property every three years. The investment properties were valued by S R Thellwell Chartered Surveyor in March 2021 on an existing use fair value and this valuation is reflected in the figures above. The trustees do not consider that the existing use fair value was materially different at 31 December 2022.

The historical cost of assets (freehold property) included in the above at valuation is £2,915,511 (2021: £2,915,511) and the aggregate depreciation thereon would have been £635,123 (2021: £576,813).

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

12 Fixed Asset Investments

		Interest in group undertakings £
Company		
Cost		
At 1 January 2022		1
Amounts written off in year		-
At 31 December 2022		<u>1</u>

The principal group undertakings which are all incorporated in England and Wales:

	Activity	Issued share Capital	% of issued ordinary shares capital held
Barrowmore Social Enterprise Limited Company Number : 08772299	Operation of café	1	100%

The trustees believe that the carrying value of Barrowmore Social Enterprises Limited is supported by its underlying net assets. Details are included in Note 3 of these accounts.

13 Investment Property – Group and Company

		£
Cost/Valuation		
At 1 January 2022		4,810,000
Additions		-
Transfers		-
Revaluations		-
At 31 December 2022		<u>4,810,000</u>
Net Book Value		
At 31 December 2022		<u>4,810,000</u>
At 31 December 2021		<u>4,810,000</u>

It is Barrowmore Limited's policy to formally revalue its investment property every three years. The investment properties were valued by S R Thellwell Chartered Surveyor in March 2021 on an existing use fair value and this valuation is reflected in the figures above. The trustees do not consider that the existing use fair value was materially different at 31 December 2022.

The historical cost of assets included in the above at valuation is £2,078,372 (2021: £2,078,372).

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

14 Stocks

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Provisions	1,300	1,000	1,300	1,000
Goods for resale	317	317	-	-
	<u>1,617</u>	<u>1,317</u>	<u>1,300</u>	<u>1,000</u>

15 Debtors: Amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	82,497	58,793	82,105	58,793
Amounts owed by group undertakings	-	-	16,390	34,805
Prepayments and accrued income	14,282	2,153	14,282	2,153
Other debtors	374	374	374	374
	<u>97,153</u>	<u>61,320</u>	<u>113,151</u>	<u>96,125</u>

16 Liabilities: Amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	21,153	8,384	18,816	6,933
Taxation and social security	40,689	49,011	34,761	47,608
Other creditors	39,336	31,717	39,336	31,717
Accruals and deferred income	76,711	43,834	75,716	42,839
	<u>177,889</u>	<u>132,946</u>	<u>168,629</u>	<u>129,097</u>

17 Operating Lease Commitments

The following operating lease payments are committed to be paid over the following period:

	2022	2021
	£	£
Expiring:		
Within one year	814	2,239
Between one and five years	2,080	1,084
	<u>2,894</u>	<u>3,323</u>

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

18 Pension Commitments

The company operates a defined contribution pension scheme. Contributions in the year amounted to £20,670 (2021: £18,665). The amount outstanding at the year-end was £2,729 (2021: £7,063). Employer's contributions are based upon 5% of gross earnings and employees' contributions are between 3% and 5%.

The company also participates in a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK and it is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme. The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

As the scheme is in deficit and the company has agreed to a deficit funding arrangement, the company, in accordance with Charities SORP (FRS 102), recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a cost together with any remeasurements calculated in the year in respect of the liability.

Reconciliation of opening and closing defined benefit pension liability:

	2022		2021	
	£	£	£	£
Present value of liability at start of period		16,988		70,726
Unwinding of the discount factor	139		169	
Remeasurements - impact of any change in assumptions	(338)		(192)	
Remeasurements - amendments to the contribution schedule	-		(38,422)	
		(199)		(38,445)
Deficit contributions paid		(7,643)		(15,293)
Present value of liability at end of period		9,146		16,988
Discount rate applied for the year		4.96%		1.18%

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

19 Movement in Funds

	At 1 Jan 2022 £	Net movement in funds £	At 31 Dec 2022 £
Unrestricted funds			
General fund	7,431,063	(4,071)	7,426,992
Revaluation reserve	739,164	(15,850)	723,314
	<u>8,170,227</u>	<u>(19,921)</u>	<u>8,150,306</u>
Restricted funds	-	-	-
Total Funds	<u>8,170,227</u>	<u>(19,921)</u>	<u>8,150,306</u>

Net movement in funds, included in the above are as follows:

	Incoming Resources in funds £	Resource expended £	Transfer £	Gains and Losses £	Movement £
Unrestricted funds					
General fund	1,153,299	(1,172,018)	15,850	(1,202)	(4,071)
Revaluation reserve	-	-	(15,850)	-	(15,850)
Restricted funds					
Restricted fund	-	-	-	-	-
Total Funds	<u>1,153,299</u>	<u>(1,172,018)</u>	<u>-</u>	<u>(1,202)</u>	<u>(19,921)</u>

The transfers between the General Fund and the Revaluation Reserve relate to the depreciation charge on the revalued amount.

Restricted Funds

There were no restricted funds in the year.

Barrowmore Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2022

20 Analysis of group net assets between funds

	Unrestricted funds	Restricted funds	2022 Total
	£	£	£
Tangible fixed assets	2,757,401	-	2,757,401
Fixed asset investments	4,810,000	-	4,810,000
Cash at bank and in hand	671,170	-	671,170
Other net current assets/(liabilities)	(79,119)	-	(79,119)
Creditors falling due in more than one year	-	-	-
Defined benefit pension scheme liability	(9,146)	-	(9,146)
	<u>8,150,306</u>	<u>-</u>	<u>8,150,306</u>

	Unrestricted funds	Restricted funds	2021 Total
	£	£	£
Tangible fixed assets	2,798,076	-	2,798,076
Fixed asset investments	4,810,000	-	4,810,000
Cash at bank and in hand	649,448	-	649,448
Other net current assets/(liabilities)	(70,309)	-	(70,309)
Creditors falling due in more than one year	-	-	-
Defined benefit pension scheme liability	(16,988)	-	(16,988)
	<u>8,170,227</u>	<u>-</u>	<u>8,170,227</u>

21 Contingent Liability/Assets

A contingent liability exists to repay loans received under the Factory Support Grants for the improvement or change of use of property of £68,241. Repayment is contingent on either the sale of the related property or the Charity ceasing to continue its existing function. The maximum amount payable is £68,241.

After numerous meetings with the DWP regarding the possible contingent liability of £68,241, it was agreed that after reviewing the lease documents with Mr Haycock and seeking legal advice from solicitors, Cullimore Dutton, the lease is in fact null and void, due to the grant being stated as for "machinery" (under the terms and conditions, it clearly states that there is no repayment for machinery). Therefore, no liability exists in the opinion of Barrowmore based on this legal advice. The DWP's senior management agreed not to pursue this amount at this time and would review this in 30 years (As from 2012).

22 Related Party Disclosures

Transactions with the subsidiary companies are disclosed in Note 3.

The amount due from Barrowmore Social Enterprises Limited at the balance sheet date was £16,390 (2021 - £38,711) and the amount due to Barrowmore Social Enterprise Limited at the balance sheet date was £Nil (2021 - £3,906). Interest of £739 (2021 - £1,171) has been charged on the average balance of the loans at the market rate of 3% and they are repayable on demand.

There are no further transactions with related parties to disclose.