

Registered number: 07931728
Charity number: 1146481

The Kenward Trust
(A company limited by guarantee)

Annual report and consolidated financial statements
for the year ended 31 March 2024

The Kenward Trust
(A company limited by guarantee)

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**Reference and administrative details of the Company, its Trustees and advisers
for the year ended 31 March 2024**

Trustees

G Gibb, Chair of Board of Trustees (appointed 26 June 2024)
P Andrews, Chair of Kenward Enterprises
J Elks (resigned 26 June 2024)
S Thomson, Chair of Quality Assurance Committee
S Webster, Chair of the Finance Committee
S Belton
Dr. A Jones (resigned 13 December 2023)
H Kendall
G Monk (resigned 8 November 2024)
A Price
Dr. S Plummer
C Munday (resigned 18 September 2024)
J Park (appointed 13 March 2024)
Dr M Sarfaz (appointed 13 March 2024)
M Barker (appointed 26 June 2024)

Company registered number

07931728

Charity registered number

1146481

Registered office

Kenward House
Kenward Road
Yalding
ME18 6AH

Company secretary

Paul Brown

Chief executive officer

Penny Williams

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Reference and administrative details of the Company, its Trustees and advisers (continued)
for the year ended 31 March 2024

Independent auditor

Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Montague Place
Quayside
Chatham Maritime
Chatham
Kent
ME4 4QU

Solicitors

Whitehead Monckton Limited
72 King Street
Maidstone
Kent
ME14 1BL

The Kenward Trust
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Trustees' report
for the year ended 31 March 2024

The Trustees present their annual report together with the audited financial statements of the Kenward Trust for the year 1 April 2023 to 31 March 2024. The Annual report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the Annual report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

About Us

Kenward Trust provides support to those affected by addiction, homelessness and crime.

The Trust was founded in 1968 by Ray and Violet Sinden, a couple with a strong Christian faith. The couple's eldest daughter, Olive, was friendly with a Church Army Captain who worked amongst the homeless individuals on the streets of London. Many of them had been sober for some weeks and wished to remain in recovery, but there was no place that would give them shelter. Ray decided to take some of these men home for rehabilitation, but one quickly turned into three and their farm in Sevenoaks became overcrowded. The family sold up and purchased our estate in Yalding, which is where Kenward began.

From those modest beginnings, the Trust today takes in around 100 residents each year across seven buildings, as well as reaching hundreds of young people through prevention initiatives and helping others with advice and support.

Why our work is important

At Kenward Trust we provide a breadth of services, from early intervention and education in schools to residential rehab and resettlement accommodation. All our work has the same aim of helping support those with addiction issues to transform their lives and create new futures. Our work centres on giving people the opportunity to change their lives, think differently and reach their full potential.

Our Vision, Mission, Values & Christian Ethos

Our Vision:

Every individual suffering with addiction issues receives the support they need to transform their lives.

Our Mission:

To support and empower all individuals affected by addiction and homelessness so they can transform their lives and create new futures.

Our Values:

Kenward Trust has a strong sense of its Christian roots and ethos, from which we draw the underlying value underpinning every aspect of our work and the way we deliver services. At our core is our belief in empowering and involving service users and significant others in all we do.

Open minded:

We are open to new ways of collaborative working and being flexible to meet the needs of the individuals who require our support.

Care:

Care is central to everything that we do. We are compassionate and supportive within our staff team as well as to our residents.

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Trustees' report (continued)
for the year ended 31 March 2024

Empathy:

We listen. Every voice is heard and appreciated and all of our services are judgement free.

Empowerment:

We empower all that access or run our services in order for them to reach their full potential.

Education:

Being informed and reducing stigma around addiction, homelessness and crime guides all aspects of our work.

Our Christian Ethos:

Our Christian Ethos underpins the way we help people in crisis. We aim to reach out to those who are on the margins of society and we believe that everyone deserves a second chance.

Chair – G Gibb:

Taking over as Chair for this most needed charity is a privilege and I look forward to helping the CEO and the Senior Management team take even greater strides forwards.

Our values sing out in all that we do, with a staff team who support those we help with loving kindness, compassion and empathy and we aim to include all in that support.

Our Trustee team work tirelessly to support Kenward voluntarily and uphold the values of the charity, promoting and being part of the Kenward community and helping to grow and develop the organisation to meet increasing need across all age groups. Our work is inspiring and recent plaudits around our youth work have been particularly heartening.

However we need to grow to meet these needs and that takes funding and support- we encourage you to look beyond any pre-conceived ideas about those we support and contribute to our work and donate funds that will make a life-saving difference to those we help of all ages.

CEO – P Williams:

For many years, Kenward Trust has faced significant financial challenges, but for the last two years has posted a surplus for the first time in 20 years. The charity is at a pivotal moment in its journey of recovery, moving into a sustainable financial position. Despite many setbacks, not least surviving a pandemic, the unwavering commitment of the Senior Managers to the organisation's mission, and the resilience of the staff have enabled Kenward to weather the storm and emerge stronger.

Through careful planning, innovative fundraising strategies, and strengthened partnerships, the aim is to diversify the services and revenue streams, to provide financial stability, deepen engagement with stakeholders and support a robust work force.

As we embark on this next phase of the recovery journey, we do so with a new and expanded team who have a sense of purpose and optimism. Our vision is clear: to transform our recent challenges into a foundation for long-term success, ensuring that we can continue to fulfil our mission and make a lasting difference in the lives of those who depend on our support.

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Trustees' report (continued)
for the year ended 31 March 2024

Progress Against Previous Years Objectives

The focus for the last 12 months has been growth, sustainability, progression, development and have been achieved. Posting another surplus in unrestricted operations for this year is continuing the path of sustainability financially.

Growth

Re-engaging with more Drug & Alcohol units in councils, Care Grow Live (CGL) and Forward Trust, as well as more investment from central government into the sector, means we have seen a growth in referrals. With the outcome of the Dame Carole Black Report there was ring-fenced investment in the sector filtering through during the year. The Kenward Trust is achieving record occupancy levels and CQC have agreed to an increase in our license from 31 beds to 41.

Increased demand for Stage One treatment means more need for Move On accommodation. A new 10 bed resettlement property was acquired in Watlington, leased through Moat Housing, which has been consistently full.

Sustainability

There has been significant progress in improving the financial sustainability this year. The objective now is to build upon this progress next year, to ensure the longer-term viability of all the services that the Trust provides.

Development of the income from Kenward Place, Youth services and fundraising will be part of the increase in income along with increased accommodation in stage 1,2 and 3.

During a period of rising cost pressures, we continue to look at the cost base of the Trust and strive to make savings wherever possible and exploring a switch to solar power.

Progression

The development and progress of the teams are key to the future. We have a new structure offering enhanced career progression opportunities and 4 people have received management training. We will be introducing the SMART system in November 2024 to increase the programme diversity, staff development and reduce relapses for residents.

Development

Many of the programmes we offer across all stages are designed to empower residents and offer the opportunity to discover and develop their abilities to be able to contribute to society and recognise their worth.

This now includes pottery, art, horticulture, woodworking, archery, alpaca walks and activities such as parenting lessons, yoga, mindfulness.

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Trustees' report (continued)
for the year ended 31 March 2024

Achievements

We were honoured to be winners at the Kent Charity Awards in the Youth category. This was a fitting recognition of the hard work the team have put in to educating young people in school settings across Kent on the dangers of drugs and alcohol.

Andy Watson our Lead Youth Worker received a recognition award from the High Sherriff of Kent for his services in Youth and Outreach work throughout the County. Having served tirelessly over the last decade engaging with thousands of young people both in schools and in the community, he has doubtless saved many lives with his engagement with them and early intervention.

Fundraising is a key part of our activity in terms of much needed income but also in overcoming the stigma surrounding addiction and educating people. Our highest fundraiser was from BNI Pioneer Maidstone who raised over £20,000 for Kenward Trust with many of their members completing the Three Peaks Challenge.

Future strategic Direction

Three core objectives

- Services Development – continuing expansion of accommodation in stage 2 and 3 and quality of service in stage 1. Working with partners to develop new services.
- Financial Stability – Growth of Kenward Enterprises to contribute to the charity, and a more robust fundraising plan
- Staff / Culture – training the team on the SMART programme, management training and increasing communications to develop culture

KPI's

- Sustained growth – Revenue ahead of costs
- Increased cashflow and positive reserves
- Development of more services
- Sustainability

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Trustees' report (continued)
for the year ended 31 March 2024

Financial review

The cost of living crisis created a challenge for the business during the year. Increased interest rates and higher utility costs coupled with pay rises all increased our overhead. There was a concerted effort during the year to lift occupancy and increase base prices to offset the cost uplifts.

The Trust has a long term Business Loan from Unity Trust Bank who continue to show their support and believe in our business recovery plan. They are aware of our strategy of careful cost control and boosting capacity for income. They advanced a further £90,000 to the Trust for essential facility upgrades enabling us to increase our on-site capacity.

Total income for the year was £2,354,790 (2023: £2,088,220). This is an increase of £266,570 (12.8%) compared to 2023. The additional revenue came from a mix of increased accommodation utilisation and increased prices.

This significant increase in revenue was accompanied by a rise in costs to £2,384,902 (2023: £2,037,411), an increase of £347,491 (17.1%) compared to 2023. The largest constituent increase in these costs relates to staff costs which totalled £1,345,561 (2023: £1,107,260), an increase of £238,301 (9.4%) and is the result of pay reviews and increased staffing levels necessary to deal with the higher levels of occupancy.

The Charity had a net movement in funds of negative £(30,112) (2023: positive £50,809).

Our total funds have decreased slightly to £5,187,795 (2023: £5,217,907) at the year end, comprising £5,15,671 (2023: £5,144,926) unrestricted funds and £36,124 (2023: £72,981) restricted funds.

The Balance Sheet shows positive net current assets of £16,461 (2023: net current liabilities £18,181) which represents an increase on the prior year of £34,642.

Kenward belongs to a scheme with The Pensions Trust. Entry to the defined benefit scheme was closed several years ago and now a defined contribution auto enrolment scheme is in operation. The old scheme is underfunded which means that an actuarial deficit must be included in the accounts; the provision for this has decreased in the year to £5,550 (2022: £18,367). The overall withdrawal liability remains much higher. This will only be triggered if The Kenward Trust were to withdraw from the scheme completely, which it does not plan to do.

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Trustees' report (continued)
for the year ended 31 March 2024

Reserves Policy

The Board of Trustees has reviewed the Reserves Policy of the Kenward Trust with regard to the Charity's current operations and its future plans. Particular attention and reference has been given to guidance provided within FRS 102, Charity Commission publications RS3 and CC19 (Charity Reserves and Charities and Reserves, respectively) and Charity Commission Guidance OG43 (Charity Income Reserves).

The Board of Trustees has agreed a reserves policy equivalent to two months of employment costs. For the financial year 1st April 2023 to 31st March 2024, this was projected as £237,000. While our liquid cash reserves have been below this level for the financial year, the Board of Trustees will continue to be prepared to sell one or more of the Charity's freehold properties in order to generate the appropriate level of liquid funds. The Trustees remain confident that the Trusts growth strategy mean this reserves target is achievable in the short to medium term.

Structure, Governance & Management Governing Document

The Kenward Trust is a charitable company limited by guarantee, incorporated on 1st February 2012 and registered with the Charity Commission on 21st March 2012. The Company took over delivery of services and ownership of property from The Kenward Trust Fund (charity number 265394) on 1st April 2012.

The Kenward Trust Fund was registered as a charity on 27th March 1973 and has been governed by its Trust Deed, dated 24th May 1972. On incorporation, the fundamental elements of the Trust Deed were removed from the Charity Register on 9th January 2015. Therefore, the Charity remains governed by the vision, purpose and intentions of the founding trustees; as now set out in the Articles.

Membership is open to individuals or organisations that apply to the Charity and are approved by the Trustees.

There are currently eleven members (the Directors/Trustees of the Charity), each of whom agreed to contribute £10 in the event of the Charity winding up.

Appointment of Trustees

The Articles of Association (Articles) provide that the Board of Trustees may be constituted of a minimum of three Trustees, but no more than twelve. For the purposes of the Companies Act 2006, Trustees of the Charity are also directors of the Company. In accordance with the Articles, on appointment, Trustees become members of the Company.

Under the requirements of the Articles, any person appointed as a Trustee by the Board of Trustees must retire at the next annual general meeting, at which time the appointment must be either ratified or terminated. At each Annual General Meeting, Trustees who have been in office for 3 years must retire from office, but may stand for re election.

Trustee Induction and Training

As a Care Quality Commission (CQC) registered organisation the Trustees take recruitment, induction and training of our Trustees very seriously. The Kenward Trust complies with Regulation 5 to ensure that all prospective and existing Trustees are assessed and continue to be deemed a fit and proper person to act as a Trustee of the Charity.

New Trustees undergo orientation to brief them on: their legal obligation under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the business plan and recent financial performance of the Charity. Trustees are encouraged to attend on going, appropriate, external training events where these will facilitate the undertaking of their role. Most trustees are also on one or more committee.

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Trustees' report (continued)
for the year ended 31 March 2024

Organisation

The Board of Trustees, which can have between three and twelve members, administers the Charity. The Board normally meets quarterly and there are sub committees covering Finance, Business Development, Quality Assurance which includes People & Policies and spirituality, which also meet on a quarterly basis.

A Chief Executive is appointed by the trustees to manage the day to day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and programme delivery.

Related Parties and Cooperation with Other Organisations

None of our Trustees receive remuneration or other benefits from their work with the Charity. Any connection between a Trustee or senior manager of the Charity with a resident, must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party. In the current year, one Trustee was kind enough to rent property to the Trust at a discounted rental to house some residents in our Stage 3 programme. The Trustees considered the rental and agreed it satisfied their test of reasonableness. The Trust also commissioned an occupational health assessment from a business under the control of the Trustee at an arms length price.

The Charity's wholly owned subsidiary, Kenward Enterprises Ltd, was established to operate the social enterprise activities. Kenward Enterprises Limited was incorporated on 20th February 2016.

Pay Policy for Senior Staff

The directors consider that the Board of Trustees and the Senior Management Team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating of the Charity on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

The pay of senior staff is reviewed from time to time. In the view of the nature of the Charity, the Trustees benchmark against pay levels in other charities of a similar size. Some senior talent is retained on a consultancy basis to attract the best people.

Fund Raising Policy

The charity undertakes fundraising activities, which include fundraising in the community, applying to and partnering with companies and grant giving trusts, appeals and organising of events. Our fundraising activities are carried out in line with the Fundraising Code of Practice as set out by the Fundraising Regulator. No third party agencies are used to fundraise on behalf of the charity. No fundraising complaints were received.

Risk Management

The charity continues to enhance and improve risk management systems. It operates a robust Risk Register that is analysed quarterly by the Finance Committee and Quality Assurance Committee. The Finance Committee oversee financial and business risks whilst the Quality Committee reviews, clinical risks, staff risks and health & safety and RAG rated. All red coded risks are discussed at the board quarterly. A full review is carried out at the annual Trustees Strategic Day.

The Risk Register identifies principal risks to delivery of strategic objectives (as directed and agreed by the Board of Trustees for each financial year).

This is an important part of our governance process and provides a vehicle through which the Trustees, Chief Executive, Senior Management Team and Project Managers, as appropriate can:

1. Agree and analyse the Charity's strategic objectives;
2. Identify the principal risks to achieving them;
3. Agree necessary actions or establishment of systems and procedures to mitigate those risks identified; and
4. Implement procedures to minimise any potential impact on the Charity, if the risks materialise.

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Trustees' report (continued)
for the year ended 31 March 2024

Trustees' responsibilities statement

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

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

Select suitable accounting policies and apply them consistently;

Observe the methods and principles of the Charities SORP;

Make judgements and accounting estimates that are reasonable and prudent;

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and the dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as disclosure to our auditors

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


There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Charity's auditor is unaware; and

The Trustees, having made enquiries of fellow directors and the Charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

G Gibb
Chair

Date:


11/12/24

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Independent auditor's report to the Members of The Kenward Trust

Opinion

We have audited the financial statements of The Kenward Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2024 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.

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

Material uncertainty related to going concern

We draw attention to note 2.4 in the financial statements, which indicates that there are a number of financial restraints and issues that the Charity faces. As stated in note 2.4, these events or conditions, along with the other matters as set forth in note 2.4, indicate that a material uncertainty exists that may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the Group's ability to continue to adopt the going concern basis of accounting included:

- Understanding the Group's processes and related controls over the assumptions in the going concern assessment;
- Considering the reasonableness of the projections and the appropriateness of the sensitivities performed by management;
- Evaluating the accuracy and completeness of the projections;
- Assessing the disclosures relating to going concern.

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

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Independent auditor's report to the Members of The Kenward Trust (continued)

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 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.

Opinion 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 including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditor's report to the Members of The Kenward Trust (continued)

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:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Conducting interviews with appropriate personnel to gain further insight into the control systems implemented, and the risk of irregularity; and
- Review of cash and credit card expenditure to confirm no evidence of personal benefit; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of internal controls and physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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Independent auditor's report to the Members of The Kenward Trust (continued)

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. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement 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 of the effectiveness of the charitable company's internal control.
- 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 charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my 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 my Auditor's report. However, future events or conditions may cause the charitable company 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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.

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Independent auditor's report to the Members of The Kenward Trust (continued)

Use of our report

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

Kreston Reeves LLP

Samantha Rouse FCCA DChA (Senior statutory auditor)

for and on behalf of

Kreston Reeves LLP

Chartered Accountants

Statutory Auditor

Chatham Maritime

Date: 12 December 2024

The Kenward Trust
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 March 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	4	71,038	38,454	109,492	211,235
Charitable activities	5	2,099,409	-	2,099,409	1,733,188
Other trading activities	6	119,285	25,220	144,505	142,927
Investments	7	1,384	-	1,384	870
Total income		2,291,116	63,674	2,354,790	2,088,220
Expenditure on:					
Raising funds	8	101,308	5,281	106,589	94,595
Charitable activities	9	2,189,588	88,725	2,278,313	1,942,816
Total expenditure		2,290,896	94,006	2,384,902	2,037,411
Net income/(expenditure)		220	(30,332)	(30,112)	50,809
Transfers between funds	20	6,525	(6,525)	-	-
Net movement in funds		6,745	(36,857)	(30,112)	50,809
Reconciliation of funds:					
Total funds brought forward		5,144,926	72,981	5,217,907	5,167,098
Net movement in funds		6,745	(36,857)	(30,112)	50,809
Total funds carried forward		5,151,671	36,124	5,187,795	5,217,907

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

The notes on pages 22 to 48 form part of these financial statements.

The Kenward Trust
(A company limited by guarantee)
Registered number: 07931728

Consolidated balance sheet
as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	6,233,906	6,268,677
		6,233,906	6,268,677
Current assets			
Stocks	16	7,811	5,386
Debtors	17	261,384	242,657
Cash at bank and in hand		110,961	131,576
		380,156	379,619
Creditors: amounts falling due within one year	18	(363,695)	(397,800)
Net current assets / liabilities		16,461	(18,181)
Total assets less current liabilities		6,250,367	6,250,496
Creditors: amounts falling due after more than one year	19	(1,057,022)	(1,020,708)
Net assets excluding pension liability		5,193,345	5,229,788
Defined benefit pension scheme liability	26	(5,550)	(11,881)
Total net assets		5,187,795	5,217,907

The Kenward Trust
(A company limited by guarantee)
Registered number: 07931728

Consolidated balance sheet (continued)
as at 31 March 2024


	Note	2024 £	2023 £
Charity funds			
Restricted funds	20	36,124	72,981
Unrestricted funds			
Designated funds	20	4,943,990	4,964,709
General funds	20	207,681	180,217
Total unrestricted funds	20	5,151,671	5,144,926
Total funds		5,187,795	5,217,907

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

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

G Gibb
Chair

Date:


11/12/24

The notes on pages 22 to 48 form part of these financial statements.

The Kenward Trust
(A company limited by guarantee)
Registered number: 07931728

Company balance sheet
as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	6,216,758	6,245,865
Investments	15	5,000	5,000
		6,221,758	6,250,865
Current assets			
Stocks	16	3,309	3,284
Debtors	17	452,094	412,383
Cash at bank and in hand		100,934	116,348
		556,337	532,015
Creditors: amounts falling due within one year	18	(338,711)	(381,213)
Net current assets		217,626	150,802
Total assets less current liabilities		6,439,384	6,401,667
Creditors: amounts falling due after more than one year	19	(1,057,022)	(999,041)
Net assets excluding pension liability		5,382,362	5,402,626
Defined benefit pension scheme liability	26	(5,550)	(11,881)
Total net assets		5,376,812	5,390,745

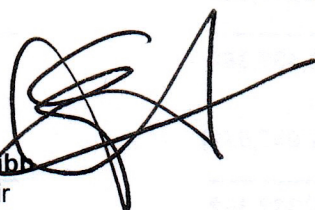
The Kenward Trust
(A company limited by guarantee)
Registered number: 07931728

Company balance sheet (continued)
as at 31 March 2024

	Note	2024 £	2023 £
Charity funds			
Restricted funds	20	36,124	72,981
Restricted funds	20	36,124	72,981
Unrestricted funds			
Designated funds	20	4,943,990	4,964,709
General funds	20	396,698	353,055
Total unrestricted funds	20	5,340,688	5,317,764
Total funds		5,376,812	5,390,745

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

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


G Gibb
 Chair

Date:

11/12/24

The notes on pages 22 to 48 form part of these financial statements.

The Kenward Trust
(A company limited by guarantee)

Consolidated statement of cash flows
for the year ended 31 March 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities (see note 24)	5,325	142,085
Cash flows from investing activities		
Dividends, interests and rents from investments	1,384	870
Purchase of tangible fixed assets	(96,445)	(99,497)
Net cash used in investing activities	(95,061)	(98,627)
Cash flows from financing activities		
Repayments of borrowing	(20,879)	(19,916)
Cash inflows from new borrowings	90,000	-
Net cash provided by/(used in) financing activities	69,121	(19,916)
Change in cash and cash equivalents in the year	(20,615)	23,542
Cash and cash equivalents at the beginning of the year	131,576	108,034
Cash and cash equivalents at the end of the year	110,961	131,576

The notes on pages 22 to 48 form part of these financial statements

The Kenward Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2024

1. General information

The Kenward Trust is registered as a charitable company limited by guarantee and was set up by a Trust deed. Its registered office is Kenward House, Kenward Road, Yalding, Maidstone, Kent, ME18 6AH.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Kenward Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

2.3 Income

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

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

Notes to the financial statements
for the year ended 31 March 2024

2. Accounting policies (continued)

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

All expenditure is inclusive of irrecoverable VAT.

2.4 Going concern

Despite the Charity continuing to experience funding difficulties, the financial statements have been prepared on a going concern basis, as the Trustees are of the opinion that the Charity can continue operating for a period of at least 12 months from the date these accounts were signed.

The Charity group has net current assets of £16,461 (2023: net current liabilities of £18,181) Improvements continue to be made increasing income and closely monitoring costs.

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern.

The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

Notes to the financial statements
for the year ended 31 March 2024

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

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

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

Land & Buildings are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a Company may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the Consolidated statement of financial activities, with a separate revaluation reserve being shown in the Statement of funds note.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Land and Buildings	-	1% Revalued
Plant and machinery	-	10%
Motor vehicles	-	20%
Fixtures and fittings	-	10%
Office equipment	-	20%
Computer equipment	-	20%

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Interest receivable

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

Notes to the financial statements
for the year ended 31 March 2024

2. Accounting policies (continued)

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities

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

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

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

2.13 Financial instruments

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

2.14 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.15 Pensions

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

Notes to the financial statements
for the year ended 31 March 2024

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Multi-employer defined benefit pension scheme

The Charity is part of the Pensions Trust Growth Plan, however entry to this scheme was closed a number of years ago. This is a multi employer defined benefit pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. It is not possible to separately identify the assets and liabilities of participating employers on a consistent and reasonable basis.

The fund is in deficit and if the charity was to withdraw from the scheme the cost of withdrawal would have been £386,284 on 30 September 2016. The charity does not plan to withdraw from the scheme.

A revised recovery plan took effect in April 2016 with new contributions. The results of this yearly update do not affect the deficit contributions due.

Deficit contributions are due from April 2016 to 31 March 2025, with the amount increasing in April each year by 3%.

The deficit contributions due from April 2020 will be £6,790 per year.

The group operates a Defined benefit pension scheme. However, the scheme is a multiple employer scheme and the group is unable to identify its share of the underlying assets and liabilities.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme, as shown above.

Tangible fixed assets

Property valuations

Freehold land and buildings are revalued by a professional valuer every 5 years. Trustees assess on an annual basis the valuation of the properties. The value of the properties is estimated to be the open market value at the balance sheet date.

Remaining asset classes are held at depreciated cost. The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful lives and residual values of the assets. The economic lives and residual values are re-assessed annually. They are amended when necessary to reflect the current estimates, based on technological advancements, future investments, and economic utilisation. See note 15 for the carrying amount of the long-term leasehold property, plant and machinery, motor vehicles, fixtures and fittings and computer equipment.

Notes to the financial statements
for the year ended 31 March 2024

3. Critical accounting estimates and areas of judgement (continued)

Critical areas of judgement:

Lease commitments

The Charity has entered into a range of lease commitments in respect of plant and equipment. The classification of these leases as either financial or operating leases requires the Trustees to consider whether the terms and conditions of each lease are such that the Charity has acquired the risks and rewards associated with the ownership of the underlying assets.

Multi-employer defined benefit pension scheme

Certain employees participate in a multi-employer defined benefit pension scheme. In the judgement of the Trustees, the Charity does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 26 for further details.

The Kenward Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2024

4. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations				
Grants and trusts	22,238	32,563	54,801	168,231
Community fundraising	31,138	-	31,138	36,074
Other	10,543	-	10,543	4,639
Donations received	7,119	5,891	13,010	2,291
	<u>71,038</u>	<u>38,454</u>	<u>109,492</u>	<u>211,235</u>
	<u><u>155,866</u></u>	<u><u>55,369</u></u>	<u><u>211,235</u></u>	
Total 2023				

5. Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Residential rehabilitation fees	1,160,791	-	1,160,791	945,608
Housing benefit	835,091	-	835,091	704,423
Client cash contributions	58,471	-	58,471	40,364
RHI Income	45,022	-	45,022	42,405
Other	34	-	34	388
	<u>2,099,409</u>	<u>-</u>	<u>2,099,409</u>	<u>1,733,188</u>
	<u><u>1,729,665</u></u>	<u><u>3,523</u></u>	<u><u>1,733,188</u></u>	
Total 2023				

The Kenward Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2024

6. Income from other trading activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Telephone receipts	1,697	-	1,697	347
Rental income	38,609	-	38,609	35,814
Training income	17,586	25,220	42,806	38,894
Enterprise income	43,435	-	43,435	40,741
Other income	17,958	-	17,958	27,131
	<u>119,285</u>	<u>25,220</u>	<u>144,505</u>	<u>142,927</u>
Total 2023	<u>132,223</u>	<u>10,704</u>	<u>142,927</u>	

7. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Interest	<u>1,384</u>	<u>1,384</u>	<u>870</u>
Total 2023	<u>870</u>	<u>870</u>	

The Kenward Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2024

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Sundries	2,816	-	2,816	4,087
PR and marketing	11,043	5,281	16,324	5,715
Interest paid	685	-	685	927
Wages and salaries	24,846	-	24,846	38,834
National insurance and social security costs	2,264	-	2,264	2,993
Pension costs	720	-	720	990
	<u>42,374</u>	<u>5,281</u>	<u>47,655</u>	<u>53,546</u>
	<u><u>52,730</u></u>	<u><u>816</u></u>	<u><u>53,546</u></u>	
Total 2023				

Social enterprise

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Purchases (inc. opening and closing stock)	6,088	6,088	7,402
PR and marketing	4,719	4,719	1,174
Social Enterprise direct costs	17,473	17,473	12,680
Wages and salaries	24,685	24,685	13,841
Depreciation	5,969	5,969	5,939
Legal and professional fees	-	-	13
	<u>58,934</u>	<u>58,934</u>	<u>41,049</u>
	<u><u>41,049</u></u>	<u><u>41,049</u></u>	
Total 2023			

The Kenward Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2024

8. Expenditure on raising funds (continued)

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Charitable activities	2,189,588	88,725	2,278,313	1,942,816
Total 2023	1,908,809	34,007	1,942,816	

10. Analysis of expenditure by activities

	Direct costs 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Charitable activities	1,857,412	420,901	2,278,313	1,942,816
Total 2023	1,551,642	391,174	1,942,816	

The Kenward Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2024

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Charitable activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	1,317,731	1,317,731	1,064,443
Council tax	24,253	24,253	20,565
Light and heat	196,232	196,232	151,408
Telephone	12,024	12,024	11,422
Resident expenses	8,341	8,341	13,729
Residents catering	65,566	65,566	66,257
Therapy costs	2,619	2,619	4,460
Household costs	12,510	12,510	15,497
Motor expenses	23,940	23,940	19,255
Consultancy	49,333	49,333	51,188
Staff expenses	8,653	8,653	8,881
Volunteer expenses	90	90	1,535
Staff training and development	9,462	9,462	9,350
Agency staff	57,123	57,123	60,877
Rent and rates	43,373	43,373	31,554
TV licenses	2,033	2,033	1,223
Waste and sanitation	13,244	13,244	11,252
Testing costs	5,622	5,622	6,448
Small equipment	145	145	(1,328)
Animal expenses	5,118	5,118	3,626
	<hr/> 1,857,412 <hr/>	<hr/> 1,857,412 <hr/>	<hr/> 1,551,642 <hr/>
Total 2023	<hr/> 1,551,642 <hr/>	<hr/> 1,551,642 <hr/>	

The Kenward Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2024

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Charitable activities 2024 £	Total funds 2024 £	Total funds 2023 £
Depreciation	125,247	125,247	134,089
Printing, postage and stationery	5,594	5,594	6,423
Repairs and maintenance	58,090	58,090	78,805
Bank charges	4,256	4,256	2,662
Audit fees	17,220	17,220	15,115
IT and website costs	19,815	19,815	13,118
Recruitment costs	7,106	7,106	8,625
Health and safety	8,152	8,152	6,633
Insurance	43,164	43,164	28,168
Loan interest and arrangement fees	87,351	87,351	54,759
Legal and professional fees	6,360	6,360	5,270
Leasing of equipment	14,374	14,374	14,314
Donation platform charges	997	997	618
Governance costs	23,175	23,175	22,575
	<u>420,901</u>	<u>420,901</u>	<u>391,174</u>
Total 2023	<u>391,174</u>	<u>391,174</u>	

11. Auditor's remuneration

	2024 £	2023 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	12,500	11,100
Fees payable to the Company's auditor in respect of:		
Under accrued audit fees in prior year	<u>-</u>	<u>4,015</u>

The Kenward Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2024

12. Staff costs

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Wages and salaries	1,222,197	1,008,018	1,222,197	1,008,018
Social security costs	90,010	72,437	90,010	72,437
Pension costs	33,354	26,805	33,354	26,805
	<u>1,345,561</u>	<u>1,107,260</u>	<u>1,345,561</u>	<u>1,107,260</u>

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

	Group 2024 No.	Group 2023 No.
Average number expressed as headcount	<u>70</u>	<u>61</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	Group 2023 No.
In the band £60,001 - £70,000	1	-

13. Trustees' remuneration and expenses

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

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

The Kenward Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2024

14. Tangible fixed assets

Group

	Land buildings £	Long- term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation							
At 1 April 2023	3,108,278	10,360	428,428	21,625	236,267	40,433	6,845,391
Additions	-	-	48,607	-	37,643	10,195	96,445
At 31 March 2024	3,108,278	10,360	477,035	21,625	273,910	50,628	6,941,836
Depreciation							
At 1 April 2023	105,096	1,167	303,997	21,625	127,126	17,703	576,714
Charge for the year	40,772	412	56,455	-	26,842	6,735	131,216
At 31 March 2024	145,868	1,579	360,452	21,625	153,968	24,438	707,930
Net book value							
At 31 March 2024	5,962,410	8,781	116,583	-	119,942	26,190	6,233,906
At 31 March 2023	3,003,182	9,193	124,431	-	109,141	22,730	6,268,677

Company

	Land and buildings £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation						
At 1 April 2023	6,108,278	428,428	21,625	170,636	40,433	6,769,400
Additions	-	48,607	-	37,338	10,195	96,140
At 31 March 2024	6,108,278	477,035	21,625	207,974	50,628	6,865,540

The Kenward Trust
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Notes to the financial statements
for the year ended 31 March 2024

14. Tangible fixed assets (continued)

Company (continued)

	Land and buildings £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Depreciation						
At 1 April 2023	105,096	303,997	21,625	75,114	17,703	523,535
Charge for the year	40,772	56,455	-	21,285	6,735	125,247
At 31 March 2024	145,868	360,452	21,625	96,399	24,438	648,782
Net book value						
At 31 March 2024	5,962,410	116,583	-	111,575	26,190	6,216,758
At 31 March 2023	6,003,182	124,431	-	95,522	22,730	6,245,865

Included in land and buildings is land of £1,021,320 (2023: £1,021,320) which is not depreciated.

The net book value of assets held under finance leases or hire purchase contracts included above are £850 (2023: £28,140).

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Notes to the financial statements
for the year ended 31 March 2024

15. Fixed asset investment

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2023	5,000
At 31 March 2024	5,000
Net book value	
At 31 March 2024	5,000
At 31 March 2023	5,000

16. Stocks

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Finished goods and goods for resale	7,811	5,386	3,309	3,284

17. Debtors

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Due within one year				
Trade debtors	90,062	77,962	87,579	72,585
Amounts owed by group undertakings	-	-	194,588	177,980
Other debtors	13,139	13,128	13,139	13,128
Prepayments and accrued income	158,183	151,567	156,788	148,690
	261,384	242,657	452,094	412,383

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Notes to the financial statements
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18. Creditors: Amounts falling due within one year

	Group 2024 £	Group As restated 2023 £	Company 2024 £	Company As restated 2023 £
Bank loans	72,238	49,432	50,571	39,432
Trade creditors	146,509	228,971	145,042	222,948
Other taxation and social security	71,994	45,746	70,499	45,187
Pension fund payable	7,014	5,779	7,014	5,779
Other creditors	4,746	5,564	4,391	5,564
Accruals and deferred income	61,194	62,308	61,194	62,303
	363,695	397,800	338,711	381,213

19. Creditors: Amounts falling due after more than one year

	Group 2024 £	Group As restated 2023 £	Company 2024 £	Company As restated 2023 £
Bank loans	1,057,022	1,020,708	1,057,022	999,041

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Payable or repayable by instalments	780,437	828,410	780,437	828,410

The amounts disclosed above relate to two loans. The first loan is repayable up to December 2042 and incurs interest at a rate of 2.75% above base rate. The loan is secured against the Charity's property.

The second loan is repayable up to March 2029 and incurs interest at a rate of 2.75% above base rate. The loan is secured against the Charity's property.

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Notes to the financial statements
for the year ended 31 March 2024

20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Unrestricted funds					
Designated funds					
Land and buildings	4,964,709	-	(40,772)	20,053	4,943,990
General funds					
Fixed asset fund	28,140	-	(27,290)	-	850
Free reserves	170,714	2,291,116	(2,222,834)	(26,615)	212,381
Pension fund reserve	(18,637)	-	-	13,087	(5,550)
	180,217	2,291,116	(2,250,124)	(13,528)	207,681
Total Unrestricted funds	5,144,926	2,291,116	(2,290,896)	6,525	5,151,671

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Notes to the financial statements
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20. Statement of funds (continued)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Restricted funds					
Kent Fire and Rescue	-	200	-	-	200
RESET	5,549	3,650	(6,549)	(900)	1,750
Youth/Community Services	(1,140)	-	-	1,140	-
KIP - Think Differently	13,720	4,020	(9,781)	-	7,959
Outreach youth worked funding	-	26,270	(26,270)	-	-
Outreach - Sevenoaks Round table	-	-	-	1,687	1,687
NFU Funding - events	-	6,443	-	(4,747)	1,696
Archery Project	301	-	(301)	-	-
Think Differently Film	5,281	-	(5,281)	-	-
Therapeutic Community	15,288	510	(15,077)	-	721
Henry Oldfield	-	11,000	-	-	11,000
Headoffice - Computers (Boxley & SEW)	-	2,700	-	(1,999)	701
Nationwide	1,101	-	(1,101)	-	-
Charitable Trust Cobtree Forest	-	4,000	-	(1,706)	2,294
Chapel	3,408	4,881	(173)	-	8,116
P Harrison Foundation	140	-	(140)	-	-
B&Q	2,913	-	(2,913)	-	-
Lawson Trust	99	-	(99)	-	-
KCF - Patient Management System	2,207	-	(2,207)	-	-
Historic Houses Foundation	12,667	-	(12,667)	-	-
SAS Brickwork	11,447	-	(11,447)	-	-
	72,981	63,674	(94,006)	(6,525)	36,124
Total of funds	5,217,907	2,354,790	(2,384,902)	-	5,187,795

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Notes to the financial statements
for the year ended 31 March 2024

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
Designated funds					
Land and buildings	5,014,187	-	(69,548)	20,070	4,964,709
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
General funds					
Fixed asset fund	55,429	-	(27,289)	-	28,140
Free reserves	77,911	2,018,624	(1,905,751)	(20,070)	170,714
Pension fund reserve	(18,637)	-	-	-	(18,637)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	114,703	2,018,624	(1,933,040)	(20,070)	180,217
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted funds	5,128,890	2,018,624	(2,002,588)	-	5,144,926
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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Notes to the financial statements
for the year ended 31 March 2024

20. Statement of funds (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Restricted funds					
RESET	5,500	-	49	-	5,549
Youth/Community Services	-	-	(1,140)	-	(1,140)
KIP - Think Differently	20,666	14,960	(21,906)	-	13,720
Archery Project	301	-	-	-	301
Think Differently Film	5,281	-	-	-	5,281
Therapeutic Community	-	27,114	(11,826)	-	15,288
Nationwide	1,101	-	-	-	1,101
Chapel	-	3,408	-	-	3,408
P Harrison Foundation	140	-	-	-	140
B&Q	2,913	-	-	-	2,913
Lawson Trust	99	-	-	-	99
KCF - Patient Management System	2,207	-	-	-	2,207
Historic Houses Foundation	-	12,667	-	-	12,667
SAS Brickwork	-	11,447	-	-	11,447
	<u>38,208</u>	<u>69,596</u>	<u>(34,823)</u>	<u>-</u>	<u>72,981</u>
Total of funds	<u>5,167,098</u>	<u>2,088,220</u>	<u>(2,037,411)</u>	<u>-</u>	<u>5,217,907</u>

Notes to the financial statements
for the year ended 31 March 2024

20. Statement of funds (continued)

RESET - Amounts awarded by Colyer Ferguson, to be paid annually, to provide funding for a Manager. The manager controls the activities of our Stage 2 rehabilitation programme (Move-On) and our Homeless project.

Youth/Community Services - Amounts received from local councils to provide information to young people about alcohol and substance misuse. Young people are invited to site to connect with adults who have previously been residents. The funds are also used to provide out of hours support to 'hot-spots' as directed by the local councils, using the services of Kenward staff, a dedicated consultant and staff members.

KIP Think Differently - Think Differently is our secondary school drug and alcohol education programme. We update young people and answer any questions on the potential lifechanging consequences of drug, substance and alcohol misuse, dependency and antisocial behaviour.

Archery project - Grant provided as part of project to use archery in supporting the charitable objectives.

Think Differently film - Linked to our think differently project above except these funds are specifically for the creation of a film to help us educate young people.

Therapeutic Community - This represents funds received for the use in our main Stage One therapeutic treatments.

Nationwide - Funds provided by the Nationwide Building Society for use in the Therapeutic Gardens and workshops for equipment and consumables.

Chapel - Donations and fundraising events have been organised for the construction of a Chapel on the main site of the Charity at Kenward House. This is an ongoing project and will involve either the construction of a separate building or the re-designation of an existing building on the site. It is unlikely that there will be any spend within the next 24 months on this project but funds will continue to be accumulated.

P Harrison Foundation - Funds provided for the purchase of gym equipment for resident use in our on-site gym.

B&Q - A grant provided for the purchase of tools and consumables for use in the Therapeutic Gardens and Workshops.

Lawson Trust - This represents funds received for the provision of bedding and testing equipment for use in our Move-on and Homeless projects.

KCF Patient Management System - A grant provided by the Kent Community Foundation for the introduction of a new digitised patient management system, including software, installation and training.

Historic Houses Foundation/SAS Brickwork - The Historic Houses Foundation provided a grant for the repair of a supporting beam in the Valentine Room in our main premises, Kenward House. SAS brickwork are the contractor engaged in the repair to the beam.

Land and Buildings - This represents our fixed asset balance less any subsequent depreciation, gains or losses and loans.

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Notes to the financial statements
for the year ended 31 March 2024

21. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Designated funds	4,964,709	-	(40,772)	20,053	4,943,990
General funds	180,217	2,291,116	(2,250,124)	(13,528)	207,681
Restricted funds	72,981	63,674	(94,006)	(6,525)	36,124
	<u>5,217,907</u>	<u>2,354,790</u>	<u>(2,384,902)</u>	<u>-</u>	<u>5,187,795</u>

Summary of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Designated funds	5,014,187	-	(69,548)	20,070	4,964,709
General funds	114,703	2,018,624	(1,933,040)	(20,070)	180,217
Restricted funds	38,208	69,596	(34,823)	-	72,981
	<u>5,167,098</u>	<u>2,088,220</u>	<u>(2,037,411)</u>	<u>-</u>	<u>5,217,907</u>

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	6,233,906	-	6,233,906
Current assets	344,032	36,124	380,156
Creditors due within one year	(363,695)	-	(363,695)
Creditors due in more than one year	(1,057,022)	-	(1,057,022)
Provisions for liabilities and charges	(5,550)	-	(5,550)
Total	<u>5,151,671</u>	<u>36,124</u>	<u>5,187,795</u>

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Notes to the financial statements
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22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	6,268,677	-	6,268,677
Current assets	306,638	72,981	379,619
Creditors due within one year	(397,800)	-	(397,800)
Creditors due in more than one year	(1,020,708)	-	(1,020,708)
Provisions for liabilities and charges	(11,881)	-	(11,881)
Total	5,144,926	72,981	5,217,907

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

	Group 2024 £	Group 2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(30,112)	50,809
Adjustments for:		
Depreciation charges	131,216	134,629
Amortisation charges	-	3,523
Dividends, interests and rents from investments	(1,384)	(870)
Increase in stocks	(2,425)	(636)
Increase in debtors	(87,196)	(42,955)
Increase in creditors	1,557	4,341
Pension movement	(6,331)	(6,756)
Net cash provided by operating activities	5,325	142,085

24. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash in hand	110,961	131,576
Total cash and cash equivalents	110,961	131,576

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Notes to the financial statements
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25. Analysis of changes in net debt

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	131,576	(20,615)	110,961
Debt due within 1 year	(55,211)	(24,041)	(79,252)
Debt due after 1 year	(1,020,708)	(36,314)	(1,057,022)
	<u>(944,343)</u>	<u>(80,970)</u>	<u>(1,025,313)</u>

26. Pension commitments

The Charity is part of the Pensions Trust Growth Plan, however entry to this scheme was closed a number of years ago. This is a multi employer defined benefit pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. It is not possible to separately identify the assets and liabilities of participating employers on a consistent and reasonable basis.

The fund is in deficit and if the charity was to withdraw from the scheme the cost of withdrawal would have been £386,284 on 30 September 2016. The charity does not plan to withdraw from the scheme.

A revised recovery plan took effect in April 2016 with new contributions. The results of this yearly update do not affect the deficit contributions due.

Deficit contributions are due from April 2016 to 31 March 2025, with the amount increasing in April each year by 3%.

The deficit contributions due from April 2020 will be £6,790 per year.

The group operates a Defined benefit pension scheme. However, the scheme is a multiple employer scheme and the group is unable to identify its share of the underlying assets and liabilities.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme, as shown above.

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Notes to the financial statements
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27. Operating lease commitments

At 31 March 2024 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Not later than 1 year	78,979	66,811	78,979	66,811
Later than 1 year and not later than 5 years	140,771	150,700	140,771	150,700
Later than 5 years	130,333	164,333	130,333	164,333
	350,083	381,844	350,083	381,844

28. Related party transactions

During the year Kenward Trust leased two properties owned by Gillian Monk (Trustee). Total rental payments paid during the year were £22,600 (2023 - £20,700). No rent was outstanding as of year end 31 March 2024 (2023 - £Nil). The ongoing lease commitments are included within note 28. Also during the year Kenward Trust spent £420 with All Health Matters, whom Gillian Monk is also a Director (2022 - £Nil). No balance was outstanding with All Health Matters as of 31 March 2024 (2023: £Nil).

The Kenward Trust has not entered into any other related party transactions during the year (2023: £Nil), nor are there any outstanding balances between related parties and the Kenward Trust as 31 March 2024 (2023 - £Nil).

29. Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity
Kenward Enterprises Limited	10017029	Kenward House, Kenward Road, Yalding, Maidstone, Kent, ME18 6AH	To provide a commercial benefit to the parent charity and its beneficiaries

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

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29. Principal subsidiaries (continued)

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net liabilities £
Kenward Enterprises Limited	43,435	(59,619)	(16,184)	(184,017)