

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

England & Wales · Charity number 1146488

## Details

---

Other names	HILLBROOK GRANGE RESIDENTIAL CARE HOME LIMITED, HILLBROOK GRANGE
Status	Registered
Legal form	Charitable company
Company number	<a href="#">07125607</a>
Registered	2012-03-21
Register	<a href="#">View on the Charity Commission register</a>

## Contact

---

Address	Hillbrook Grange Ack Lane East Bramhall Stockport SK7 2BY
Phone	01614397377
Email	<a href="mailto:info@hillbrookgrange.co.uk">info@hillbrookgrange.co.uk</a>
Website	<a href="http://www.hillbrookgrange.co.uk">www.hillbrookgrange.co.uk</a>

## Activities

---

**Objects:** (A) TO PROMOTE AND ASSIST THE GENERAL GOOD OF ELDERLY PEOPLE PRINCIPALLY, BUT NOT EXCLUSIVELY, IN THE DISTRICT OF BRAMHALL AND WOODFORD WHO ARE IN NEED, BY PROVIDING SPECIALLY DESIGNED OR ADAPTED ACCOMMODATION OR HOUSING, AND SERVICES OR FACILITIES CALCULATED TO MEET THE NEEDS OF SUCH PERSONS;(B) TO ASSIST STATUTORY AUTHORITIES AND OTHER VOLUNTARY ORGANISATIONS ENGAGED IN PROVIDING FACILITIES FOR PHYSICAL IMPROVEMENT AND FURTHERING HEALTH, OR IN PURSUING ANY OBJECTS WHICH NOW ARE OR SUBSEQUENTLY MAY BE DEEMED BY LAW TO BE CHARITABLE;(C) TO PROVIDE AND MANAGE THE RESIDENTIAL CARE HOME KNOWN AS HILLBROOK GRANGE IN ACK LANE, BRAMHALL OR TOGETHER WITH ANY OTHER FACILITIES FOR THE ELDERLY AS MAY BE DEEMED BY THE DIRECTORS TO BE NECESSARY TO ATTAIN THE OBJECTS OF THE CHARITY; AND(D) TO PROMOTE AND ADVANCE ALL SUCH PURPOSES AS ARE RECOGNISED FROM TIME TO TIME BY THE LAWS OF ENGLAND AND WALES TO BE CHARITABLE.

**Activities:** To assist elderly people in Bramhall, Woodford and elsewhere who require accommodation and services designed to meet their need  
To assist statutory and voluntary authorities engaged in providing such facilities for charitable purposes  
To provide and manage Hillbrook Grange or other such facilities for the elderly as deemed necessary by the directors  
To promote all such legal charitable purposes

## Classification

---

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Accommodation/housing
- **Who:** Elderly/old People

## Geography

---

- Cheshire East
- Manchester City
- Stockport

## Finances

---

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,089,882	£1,920,140	£6,915,387	67
2024-03-31	£1,938,008	£1,792,766	£6,731,017	67
2023-03-31	£1,539,819	£1,699,302	£6,568,562	53
2022-03-31	£1,267,463	£1,528,116	£5,362,206	48
2021-03-31	£1,267,603	£1,356,155	£3,864,122	44

## Trustees

Name	Role	Appointed
<b>ROBERT BRUCE BISSELL</b>	Chair	2021-04-30
JOHN MCGAHAN		2020-09-22
JUNE WATTERS WESTBROOK		2012-02-10
Lesley Buckley		2025-10-04
PATRICIA ANN LECK		2012-02-10
Robert Arnison		2024-06-13
SUSAN PREECE		2021-02-02
Stephen Littlewood		2025-09-26
Valerie Egan		2021-07-01

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**

England & Wales - Charity number 1146488

---

# Accounts

---

Charity registration number 1146488 (England and Wales)

Company registration number 07125607

**HILLBROOK GRANGE RESIDENTIAL CARE HOME  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**



# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## CONTENTS

---

	<b>Page</b>
Legal and administrative information	1
Trustees' report	2 - 5
Statement of trustees' responsibilities	6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 24

---

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	Mr B Bissell Mrs P A Leck Miss J W Westbrook Mr J McGahan Mrs S Preece Mrs V Egan Mrs E Wooding (Resigned 28 March 2025) Mr R Arnison (Appointed 13 June 2024)
<b>Senior Management Team</b>	Mrs Rosaleen Charles, Registered Manager Ms Kate Nicholson, Business Manager Ms Selina Taylor, Deputy Manager Ms Heather Unwin, Operations Manager Mr Conor Nellis, Kitchen Manager Mrs Pamela Jones, Receptionist
<b>Charity number (England and Wales)</b>	1146488
<b>Company number</b>	07125607
<b>Registered office</b>	Hillbrook Grange Ack Lane East Bramhall Stockport Cheshire SK7 2BY
<b>Auditor</b>	Xeinadin Audit Limited Riverside House Kings Reach Business Park Yew Street Stockport SK4 2HD
<b>Bankers</b>	Co-operative Bank St Pauls House 10 Warwick Lane London Greater London EC4M 7BP
<b>Investment advisors</b>	Rathbones 3 Wellington Place Leeds LS1 4AP

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

**FOR THE YEAR ENDED 31 MARCH 2025**

---

The trustees, who are also the directors, present their report and the financial statements of the charity for the year ended 31 March 2025.

### REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and their professional advisers on page 1 of the financial statements.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

### Objectives and activities

The Constitution defines the objects of the Charity as:

a) to promote and assist the general good of elderly people principally, but not exclusively, in the district of Bramhall and Woodford who are in need, by providing specially designed or adapted accommodation or housing and services or facilities calculated to meet the needs of such persons;

b) to assist statutory authorities and other voluntary organisations engaged in providing facilities for physical improvement and furthering health; or in pursuing any objects which now are or subsequently may be deemed by law to be charitable;

c) to provide and manage the residential care home known as "Hillbrook Grange" in Ack Lane, Bramhall or together with any other facilities for the elderly as may be deemed by the directors to be necessary to attain the objects of the charity;

d) to promote and advance all such purposes as are recognised from time to time by the laws of England and Wales to be charitable. The Board considers that the objects are met by the principal activity, which is the provision of residential accommodation for the elderly.

### Public benefit

In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The Trust relies on the income from fees and charges to cover its operating costs. In setting the level of fees, the trustees give due consideration to the need to ensure that the residential accommodation of Hillbrook Grange is accessible to elderly people principally though not exclusively in the district of Bramhall and Woodford.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

---

### **Achievements and performance**

#### *Significant activities and achievements against objectives*

Hillbrook has had another satisfactory operating year with high levels of occupation including good use of refurbished rooms in the Old House for respite care. These rooms are now being decommissioned ahead of the commencement of the building work referred to below. The management team has been stable with the exception of the change of deputy manager, an internal candidate being appointed. Work on team building and improving leadership skills of the management team using a behavioural consultant has been very successful. This work will now be extended to include other staff.

The financial position has been further stabilised with a slightly better than breakeven being achieved for the operating account. This is very much in line with our policy of managing cost carefully to enable us to offer care to the elderly at the lowest possible cost. Prices were increased of necessity to cover the increase in the living wage by some 10% which is a significant increase to our cost base. Unfortunately we have had to make a further substantial increase in April 25 to cover the large increase in costs due the budget outturn which further increased the living wage and NI contribution. The surprise lowering of the NI limit to £5000 affects all our staff and alone adds £100,000 to our cost base. We feel this contradicts the governments pronouncements on the importance of social care. We continue to work on compliance but remain frustrated that the long overdue inspection by the CQC has still not occurred. However we have been inspected by the local authority and achieved a high rating on all counts including an overall rating for the service of good. The level of activities for residents has increased markedly thanks to the new activities coordinator and assistants. In addition to in house activities including personal time spent with each resident, there has been a marked increase of visits for residents to a wide range of venues and different experiences. The dining experience has been further modified to meet the wishes of the residents. Our restaurant manager recently won a competition in a national trade food magazine.

Following the approval by the planning authority of the project to demolish the old house and replace it with a wing containing ensuite bedrooms and amenity areas we have undertaken detailed design and pricing. It became apparent that, due to inflation, our original plan exceeded our budget so considerable redesign has been undertaken which has resulted in a design containing 14 ensuite rooms and lounge areas. As construction work has to be carefully integrated with the operation of the home, a turn key project was impossible to scope due to the need for constant modifications to the working plans to avoid impact on residents. We have therefore agreed as a board to have an open book process with the preferred contractor, all their costs being approved by an independent quantity surveyor who we have appointed. The site is fully prepared and the main construction work about to start. The management team are excited by the prospects the new facilities will provide and are focused to ensuring our residents have top quality care and an enjoyable living experience while construction work proceeds.

### **Financial review**

#### *Going concern*

As detailed in the report above 2024/25 has been a year when the operation has been further stabilised. The income has increased by £151,874 during the year. The surplus from operating activities of £169,742 before investment movements is an improvement compared to the operating surplus of £145,242 before investment movements in 2023/24.

The total funds held by the Charity at 31st March 2025 were £6,915,387 of which £3,345,792 was designated in order to redevelop the 'Old House' at Hillbrook Grange Residential Care Home.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

---

### Reserves policy

Following the sale of the land the Board consider that the present level of funding remains adequate to support the continuation of the Charity's activities now in operation for the medium term, and its financial position remains satisfactory.

The Home has operated at occupancy levels of 90% with vacancies usually being filled within weeks.

The Board are of the opinion that a reasonable level of free reserves would be a sum sufficient to fund six months' expenses estimated to be in the order of £500,000. The Trustees are satisfied that the Home is a going concern.

At 31st March 2025, the net book value of fixed assets amounted to £3,104,158. Movements in fixed assets are shown in note 13 to the financial statements.

### Investment policy

The charity will not knowingly invest in securities that do not accord with its principles. If investments that are considered inappropriate are received as legacies, they are sold as soon as practicable and the proceeds are re-invested.

### Plans for future periods

#### Redevelopment of Old House

Using the proceeds of the land sale amounting to £3.5 million we are planning the demolition of the "Old House" – a Victorian property which is not fit for purpose - and the construction in its place of fourteen ensuite rooms, as well as allowing for the transfer of a sum to augment the Charity's reserves. The sale of the land to McCarthy & Stone which was completed at the end of June 2021 places Hillbrook in a strong financial position.

Full planning approval for the demolition of the "Old House" was obtained in May 2024 with construction work approved by the Board in May 2025.

### Structure, governance and management

#### Governing document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 14th October 2011. The charity is run by its Board, which consists of four Principal Officers and no more than 14 other members, with power to co-opt as necessary no more than two extra members and to fill vacancies at any time prior to election at the next Annual General Meeting.

The period of membership of those filling such vacancies shall be the outstanding period of the member replaced. The four Principal Officers are Chairman, Vice Chairman, Secretary and Treasurer.

Mr B Bissell

Mrs P A Leck

Miss J W Westbrook

Mr J McGahan

Mrs S Preece

Mrs V Egan

Mrs E Wooding (Resigned 28 March 2025)

Mr R Arnison

(Appointed 13 June 2024)

#### Recruitment and appointment of trustees

The Board shall be elected for three years, and one-third of the Board shall retire each year in rotation. Retiring members shall be eligible for re-election by the remaining Board members at the AGM each year. Following election at the AGM, the full Board shall appoint from their number the four Principal Officers who shall hold office for one year but on retirement, shall be eligible for re-election for a maximum of four years. The Board may also appoint such other officers as they deem appropriate.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

---

### **Organisational structure**

The Board is responsible for the overall running of Hillbrook Grange Residential Care Home. The Board is required to meet at least six times per annum, including the Annual General Meeting.

Day to day operational control is vested with the Home's Registered Manager who is supervised by the Chairman and the Vice Chairman.

### **Induction and training**

The charity does not possess a formal policy for the training and induction of trustees.

### **Auditor**

Xeinadin Audit Limited have been re-appointed as auditor for the ensuing year.

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

### **Small company provisions**

The report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.

.....

Mr B Bissell

**Trustee**

.....

Mrs P A Leck

**Trustee**

Date: .....

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 31 MARCH 2025*

---

The trustees, who are also the directors of Hillbrook Grange Residential Care Home for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF HILLBROOK GRANGE RESIDENTIAL CARE HOME

---

#### Opinion

We have audited the financial statements of Hillbrook Grange Residential Care Home (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information 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 our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF HILLBROOK GRANGE RESIDENTIAL CARE HOME

---

#### **Matters on which we are required to report by exception**

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

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

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

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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:

#### ***The extent to which the audit was considered capable of detecting irregularities including fraud***

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our commercial knowledge and experience of the care home sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental, health and safety legislation and requirements of the Care Quality Commission;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF HILLBROOK GRANGE RESIDENTIAL CARE HOME

---

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including CQC, and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Simon Leitch-Devlin, Senior Statutory Auditor**

For and on behalf of Xeinaudit Limited, Statutory Auditor

Chartered Accountants

Riverside House Kings Reach Business Park

Yew Street

Stockport

SK4 2HD

Date: .....

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Total 2025 £	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £
<b>Income and endowments from:</b>							
Donations and legacies	2	700	-	700	1,825	-	1,825
Charitable activities	3	1,918,393	-	1,918,393	1,780,147	-	1,780,147
Investments	4	168,070	-	168,070	155,915	-	155,915
Other income	5	2,719	-	2,719	121	-	121
<b>Total income</b>		<u>2,089,882</u>	<u>-</u>	<u>2,089,882</u>	<u>1,938,008</u>	<u>-</u>	<u>1,938,008</u>
<b>Expenditure on:</b>							
Raising funds	6	3,432	-	3,432	3,770	-	3,770
Charitable activities	7	1,916,708	-	1,916,708	1,788,996	-	1,788,996
<b>Total expenditure</b>		<u>1,920,140</u>	<u>-</u>	<u>1,920,140</u>	<u>1,792,766</u>	<u>-</u>	<u>1,792,766</u>
Net gains/(losses) on investments		<u>14,628</u>	<u>-</u>	<u>14,628</u>	<u>17,213</u>	<u>-</u>	<u>17,213</u>
<b>Net income</b>		<u>184,370</u>	<u>-</u>	<u>184,370</u>	<u>162,455</u>	<u>-</u>	<u>162,455</u>
Transfers between funds		<u>154,208</u>	<u>(154,208)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>	8	<u>338,578</u>	<u>(154,208)</u>	<u>184,370</u>	<u>162,455</u>	<u>-</u>	<u>162,455</u>
<b>Reconciliation of funds:</b>							
Fund balances at 1 April 2024	19	<u>3,231,017</u>	<u>3,500,000</u>	<u>6,731,017</u>	<u>3,068,562</u>	<u>3,500,000</u>	<u>6,568,562</u>
<b>Fund balances at 31 March 2025</b>		<u>3,569,595</u>	<u>3,345,792</u>	<u>6,915,387</u>	<u>3,231,017</u>	<u>3,500,000</u>	<u>6,731,017</u>

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		3,104,158		3,007,504
Investments	14		3,753,524		3,632,264
			<u>6,857,682</u>		<u>6,639,768</u>
<b>Current assets</b>					
Stocks	15	150		150	
Debtors	16	175,643		143,930	
Cash at bank and in hand		97,526		103,856	
		<u>273,319</u>		<u>247,936</u>	
<b>Creditors: amounts falling due within one year</b>	17	(215,614)		(156,687)	
<b>Net current assets</b>			<u>57,705</u>		<u>91,249</u>
<b>Total assets less current liabilities</b>			<u>6,915,387</u>		<u>6,731,017</u>
<b>The funds of the charity</b>					
Unrestricted funds - general	20	19	3,569,595		3,231,017
Unrestricted funds - designated	20	19	3,345,792		3,500,000
			<u>6,915,387</u>		<u>6,731,017</u>

The financial statements were approved by the trustees on .....

.....  
Mr B Bissell  
**Trustee**

.....  
Mrs P A Leck  
**Trustee**

Company registration number 07125607 (England and Wales)

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

---

	Notes	2025 £	£	2024 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	24		103,795		1,417,815
<b>Investing activities</b>					
Purchase of tangible fixed assets		(171,563)		(114,733)	
Purchase of investments		(212,306)		(1,456,189)	
Proceeds from disposal of investments		105,674		83,699	
Investment income received		168,070		155,915	
<b>Net cash used in investing activities</b>			(110,125)		(1,331,308)
<b>Net cash generated from financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(6,330)		86,507
Cash and cash equivalents at beginning of year			103,856		17,349
<b>Cash and cash equivalents at end of year</b>			97,526		103,856

The notes on pages 13 to 24 form part of these financial statements.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2025**

---

### 1 Accounting policies

#### **Charity information**

Hillbrook Grange Residential Care Home is a private company limited by guarantee incorporated in England and Wales. Each of trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. The registered office is Hillbrook Grange, Ack Lane East, Bramhall, Stockport, Cheshire, SK7 2BY, UK.

#### 1.1 Accounting convention

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

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 Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### **Basis of preparation**

Hillbrook Grange Residential Care Home 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 notes.

#### 1.2 Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by charity.

The Board consider that the present level of funding remains adequate to support the continuation of the Charity's activities now in operation for the medium term, and its financial position remains satisfactory.

#### 1.3 Charitable funds

#### 1.4 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 the income receivable can be measured reliably.

##### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

##### **Investment income**

Investment income is accounted for in the period in which the charity is entitled to receipt.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

---

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

##### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

##### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

##### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

##### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### 1.6 Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Furniture and equipment	10 - 33% reducing balance
Property - Structure	1 - 3 % straight line
Property - Fixed Equipment	5 - 10 % straight line

Assets in the course of construction are not depreciated.

#### 1.7 Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

---

### 1 Accounting policies (Continued)

#### 1.8 Stocks

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 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.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

### 1 Accounting policies

(Continued)

#### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 1.14 Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

### 2 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Legacies	700	1,825

### 3 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
<b>Residential care</b>		
Residential care	1,918,393	1,780,147

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

---

### 4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income from fixed asset investments	168,070	155,915

### 5 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	2,719	121

### 6 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Investment management	3,432	3,770

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 7 Expenditure on charitable activities

	Charitable Expenditure 2025 £	Charitable Expenditure 2024 £
<b>Direct costs</b>		
Staff costs	1,419,000	1,310,039
Depreciation and impairment	74,909	76,832
Purchases	83,022	80,342
Staff training	18,800	9,546
Rent and rates	41,207	19,383
Electricity	25,212	31,347
Gas	21,530	41,692
Repairs and maintenance	94,552	86,178
Advertising	19,065	4,454
Bank charges	1,799	1,949
Sundry expenses	-	705
Travel expenses	2,642	414
Bad debts written off	80	498
	<u>1,801,818</u>	<u>1,663,379</u>
<b>Share of support and governance costs (see note 9)</b>		
Support	85,644	96,676
Governance	29,246	28,941
	<u>1,916,708</u>	<u>1,788,996</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	<u>1,916,708</u>	<u>1,788,996</u>

### 8 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	8,100	8,100
Depreciation of owned tangible fixed assets	74,909	76,832
	<u>8,100</u>	<u>8,100</u>

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

### 9 Support costs

	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Staff costs	-	5,306	5,306	-	5,001	5,001
Establishment costs	20,567	-	20,567	18,793	-	18,793
Office expenses	2,357	-	2,357	2,553	-	2,553
Printing, postage and stationery	1,538	-	1,538	7,456	-	7,456
Subscriptions	8,761	-	8,761	8,758	-	8,758
Cleaning	22,338	-	22,338	23,970	-	23,970
Legal and professional costs	30,083	15,840	45,923	35,146	15,840	50,986
Audit fees	-	8,100	8,100	-	8,100	8,100
	<u>85,644</u>	<u>29,246</u>	<u>114,890</u>	<u>96,676</u>	<u>28,941</u>	<u>125,617</u>
Analysed between Charitable activities	<u>85,644</u>	<u>29,246</u>	<u>114,890</u>	<u>96,676</u>	<u>28,941</u>	<u>125,617</u>

### 10 Trustees

During the year the charity made the following transactions with trustees:

Mrs Valerie Egan £6,000 (2024 : £6,000) in respect of nominated individual services and not for the work undertaken in her role as a trustee.

### 11 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
	67	67
	<u>67</u>	<u>67</u>
Employment costs	2025	2024
	£	£
Wages and salaries	1,309,545	1,216,828
Social security costs	88,206	74,915
Other pension costs	26,555	23,297
Other staff costs	42	42
	<u>1,424,348</u>	<u>1,315,082</u>

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 11 Employees

(Continued)

Wages and salaries above includes agency costs of £175,785 (2024 : £159,613)

The total employee benefits of the key management personnel of the charity were £240,794 (2024 : £208,734).

There were no employees whose annual remuneration was more than £60,000.

#### 12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 13 Tangible fixed assets

	Freehold land and buildings £	Assets under construction £	Furniture and equipment £	Total £
<b>Cost</b>				
At 1 April 2024	3,350,998	56,991	505,413	3,913,402
Additions	-	154,208	17,355	171,563
At 31 March 2025	3,350,998	211,199	522,768	4,084,965
<b>Depreciation and impairment</b>				
At 1 April 2024	564,237	-	341,661	905,898
Depreciation charged in the year	42,568	-	32,341	74,909
At 31 March 2025	606,805	-	374,002	980,807
<b>Carrying amount</b>				
At 31 March 2025	2,744,193	211,199	148,766	3,104,158
At 31 March 2024	2,786,761	56,991	163,752	3,007,504

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 14 Fixed asset investments

	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 April 2024	3,632,264
Additions	212,306
Valuation changes	(20,193)
Disposals	(70,853)
At 31 March 2025	<u>3,753,524</u>
<b>Carrying amount</b>	
At 31 March 2025	<u>3,753,524</u>
At 31 March 2024	<u>3,632,264</u>

	<b>2025 £</b>	<b>2024 £</b>
Investments at fair value comprise:		
Equities	422,694	446,279
Money market instruments	3,307,564	3,175,000
Cash held within the investment portfolio	23,266	10,985
	<u>3,753,524</u>	<u>3,632,264</u>

### 15 Stocks

	<b>2025 £</b>	<b>2024 £</b>
Finished goods and goods for resale	<u>150</u>	<u>150</u>

### 16 Debtors

	<b>2025 £</b>	<b>2024 £</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	53,120	74,142
Other debtors	4	301
Prepayments and accrued income	122,519	69,487
	<u>175,643</u>	<u>143,930</u>

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

### 17 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	16,070	17,148
Trade creditors	115,762	86,595
Other creditors	10,946	5,082
Accruals and deferred income	72,836	47,862
	<u>215,614</u>	<u>156,687</u>

### 18 Retirement benefit schemes

	2025 £	2024 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	26,555	23,297
	<u>26,555</u>	<u>23,297</u>

### 19 Analysis of net assets between funds

	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Total 2025 £
<b>At 31 March 2025:</b>			
Tangible assets	3,104,158	-	3,104,158
Investments	445,960	3,307,564	3,753,524
Current assets/(liabilities)	19,477	38,228	57,705
	<u>3,569,595</u>	<u>3,345,792</u>	<u>6,915,387</u>

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £
<b>At 31 March 2024:</b>			
Tangible assets	3,007,504	-	3,007,504
Investments	457,264	3,175,000	3,632,264
Current assets/(liabilities)	(233,751)	325,000	91,249
	<u>3,231,017</u>	<u>3,500,000</u>	<u>6,731,017</u>

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 20 Unrestricted funds

The income funds of the charity include the following unrestricted funds:

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
General	3,231,017	2,089,882	(1,920,140)	154,208	14,628	3,569,595
Designated	3,500,000			(154,208)		3,345,792
	<u>6,731,017</u>	<u>2,089,882</u>	<u>(1,920,140)</u>	<u>-</u>	<u>14,628</u>	<u>6,915,387</u>
<b>Previous year:</b>	<b>At 1 April 2023 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Gains and losses £</b>	<b>At 31 March 2024 £</b>
General	3,068,562	1,938,008	(1,792,766)		17,213	3,231,017
Designated	3,500,000	-	-		-	3,500,000
	<u>6,568,562</u>	<u>1,938,008</u>	<u>(1,792,766)</u>	<u>-</u>	<u>17,213</u>	<u>6,731,017</u>

These funds have been designated in order to redevelop the 'Old House' at Hillbrook Grange Residential Care Home.

Designated funds relate to the income generated from the sale of land owned by Hillbrook Grange Residential Care Home less initial costs incurred in respect of the redevelopment of the 'Old House'.

### 21 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2025 £	2024 £
Acquisition of property, plant and equipment	<u>24,000</u>	<u>81,600</u>

### 22 Events after the reporting date

In May 2025, the Charity agreed to commit £3,150,000 of contracted capital expenditure in respect of the new build project to erect a two story extension in order to provide an additional 14 bedrooms.

### 23 Related party transactions

#### Transactions with related parties

During the year the charity entered into the following transactions with related parties:

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

---

### 23 Related party transactions

(Continued)

#### Rotary Club of Bramhall and Woodford Charities Trust Fund

Susan Preece is a trustee of Rotary Club of Bramhall and Woodford Charities Trust Fund. During the year Hillbrook Grange Residential Care Home received £700 (2024: £1,725) of donations from Rotary Club of Bramhall and Woodford Charities Trust Fund.

### 24 Cash generated from operations

2025

2024

£

£

Surplus for the year

184,370

162,455

#### Adjustments for:

Investment income recognised in statement of financial activities

(168,070)

(155,915)

Fair value gains and losses on investments

(14,628)

(17,213)

Depreciation and impairment of tangible fixed assets

74,909

76,832

#### Movements in working capital:

(Increase)/decrease in debtors

(31,713)

1,350,006

Increase in creditors

58,927

1,650

**Cash generated from operations**

103,795

1,417,815

Charity registration number 1146488 (England and Wales)

Company registration number 07125607

**HILLBROOK GRANGE RESIDENTIAL CARE HOME  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**



# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## CONTENTS

---

	<b>Page</b>
Legal and administrative information	1
Trustees' report	2 - 5
Statement of trustees' responsibilities	6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 24

---

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	Mr B Bissell Mrs P A Leck Miss J W Westbrook Mr J McGahan Mrs S Preece Mrs V Egan Mrs E Wooding (Resigned 28 March 2025) Mr R Arnison (Appointed 13 June 2024)
<b>Senior Management Team</b>	Mrs Rosaleen Charles, Registered Manager Ms Kate Nicholson, Business Manager Ms Selina Taylor, Deputy Manager Ms Heather Unwin, Operations Manager Mr Conor Nellis, Kitchen Manager Mrs Pamela Jones, Receptionist
<b>Charity number (England and Wales)</b>	1146488
<b>Company number</b>	07125607
<b>Registered office</b>	Hillbrook Grange Ack Lane East Bramhall Stockport Cheshire SK7 2BY
<b>Auditor</b>	Xeinadin Audit Limited Riverside House Kings Reach Business Park Yew Street Stockport SK4 2HD
<b>Bankers</b>	Co-operative Bank St Pauls House 10 Warwick Lane London Greater London EC4M 7BP
<b>Investment advisors</b>	Rathbones 3 Wellington Place Leeds LS1 4AP

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

**FOR THE YEAR ENDED 31 MARCH 2025**

---

The trustees, who are also the directors, present their report and the financial statements of the charity for the year ended 31 March 2025.

### REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and their professional advisers on page 1 of the financial statements.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

### Objectives and activities

The Constitution defines the objects of the Charity as:

a) to promote and assist the general good of elderly people principally, but not exclusively, in the district of Bramhall and Woodford who are in need, by providing specially designed or adapted accommodation or housing and services or facilities calculated to meet the needs of such persons;

b) to assist statutory authorities and other voluntary organisations engaged in providing facilities for physical improvement and furthering health; or in pursuing any objects which now are or subsequently may be deemed by law to be charitable;

c) to provide and manage the residential care home known as "Hillbrook Grange" in Ack Lane, Bramhall or together with any other facilities for the elderly as may be deemed by the directors to be necessary to attain the objects of the charity;

d) to promote and advance all such purposes as are recognised from time to time by the laws of England and Wales to be charitable. The Board considers that the objects are met by the principal activity, which is the provision of residential accommodation for the elderly.

### Public benefit

In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The Trust relies on the income from fees and charges to cover its operating costs. In setting the level of fees, the trustees give due consideration to the need to ensure that the residential accommodation of Hillbrook Grange is accessible to elderly people principally though not exclusively in the district of Bramhall and Woodford.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2025**

---

### **Achievements and performance**

#### *Significant activities and achievements against objectives*

Hillbrook has had another satisfactory operating year with high levels of occupation including good use of refurbished rooms in the Old House for respite care. These rooms are now being decommissioned ahead of the commencement of the building work referred to below. The management team has been stable with the exception of the change of deputy manager, an internal candidate being appointed. Work on team building and improving leadership skills of the management team using a behavioural consultant has been very successful. This work will now be extended to include other staff.

The financial position has been further stabilised with a slightly better than breakeven being achieved for the operating account. This is very much in line with our policy of managing cost carefully to enable us to offer care to the elderly at the lowest possible cost. Prices were increased of necessity to cover the increase in the living wage by some 10% which is a significant increase to our cost base. Unfortunately we have had to make a further substantial increase in April 25 to cover the large increase in costs due the budget outturn which further increased the living wage and NI contribution. The surprise lowering of the NI limit to £5000 affects all our staff and alone adds £100,000 to our cost base. We feel this contradicts the governments pronouncements on the importance of social care. We continue to work on compliance but remain frustrated that the long overdue inspection by the CQC has still not occurred. However we have been inspected by the local authority and achieved a high rating on all counts including an overall rating for the service of good. The level of activities for residents has increased markedly thanks to the new activities coordinator and assistants. In addition to in house activities including personal time spent with each resident, there has been a marked increase of visits for residents to a wide range of venues and different experiences. The dining experience has been further modified to meet the wishes of the residents. Our restaurant manager recently won a competition in a national trade food magazine.

Following the approval by the planning authority of the project to demolish the old house and replace it with a wing containing ensuite bedrooms and amenity areas we have undertaken detailed design and pricing. It became apparent that, due to inflation, our original plan exceeded our budget so considerable redesign has been undertaken which has resulted in a design containing 14 ensuite rooms and lounge areas. As construction work has to be carefully integrated with the operation of the home, a turn key project was impossible to scope due to the need for constant modifications to the working plans to avoid impact on residents. We have therefore agreed as a board to have an open book process with the preferred contractor, all their costs being approved by an independent quantity surveyor who we have appointed. The site is fully prepared and the main construction work about to start. The management team are excited by the prospects the new facilities will provide and are focused to ensuring our residents have top quality care and an enjoyable living experience while construction work proceeds.

### **Financial review**

#### *Going concern*

As detailed in the report above 2024/25 has been a year when the operation has been further stabilised. The income has increased by £151,874 during the year. The surplus from operating activities of £169,742 before investment movements is an improvement compared to the operating surplus of £145,242 before investment movements in 2023/24.

The total funds held by the Charity at 31st March 2025 were £6,915,387 of which £3,345,792 was designated in order to redevelop the 'Old House' at Hillbrook Grange Residential Care Home.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

---

### Reserves policy

Following the sale of the land the Board consider that the present level of funding remains adequate to support the continuation of the Charity's activities now in operation for the medium term, and its financial position remains satisfactory.

The Home has operated at occupancy levels of 90% with vacancies usually being filled within weeks.

The Board are of the opinion that a reasonable level of free reserves would be a sum sufficient to fund six months' expenses estimated to be in the order of £500,000. The Trustees are satisfied that the Home is a going concern.

At 31st March 2025, the net book value of fixed assets amounted to £3,104,158. Movements in fixed assets are shown in note 13 to the financial statements.

### Investment policy

The charity will not knowingly invest in securities that do not accord with its principles. If investments that are considered inappropriate are received as legacies, they are sold as soon as practicable and the proceeds are re-invested.

### Plans for future periods

#### Redevelopment of Old House

Using the proceeds of the land sale amounting to £3.5 million we are planning the demolition of the "Old House" – a Victorian property which is not fit for purpose - and the construction in its place of fourteen ensuite rooms, as well as allowing for the transfer of a sum to augment the Charity's reserves. The sale of the land to McCarthy & Stone which was completed at the end of June 2021 places Hillbrook in a strong financial position.

Full planning approval for the demolition of the "Old House" was obtained in May 2024 with construction work approved by the Board in May 2025.

### Structure, governance and management

#### Governing document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 14th October 2011. The charity is run by its Board, which consists of four Principal Officers and no more than 14 other members, with power to co-opt as necessary no more than two extra members and to fill vacancies at any time prior to election at the next Annual General Meeting.

The period of membership of those filling such vacancies shall be the outstanding period of the member replaced. The four Principal Officers are Chairman, Vice Chairman, Secretary and Treasurer.

Mr B Bissell

Mrs P A Leck

Miss J W Westbrook

Mr J McGahan

Mrs S Preece

Mrs V Egan

Mrs E Wooding (Resigned 28 March 2025)

Mr R Arnison

(Appointed 13 June 2024)

#### Recruitment and appointment of trustees

The Board shall be elected for three years, and one-third of the Board shall retire each year in rotation. Retiring members shall be eligible for re-election by the remaining Board members at the AGM each year. Following election at the AGM, the full Board shall appoint from their number the four Principal Officers who shall hold office for one year but on retirement, shall be eligible for re-election for a maximum of four years. The Board may also appoint such other officers as they deem appropriate.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

---

### **Organisational structure**

The Board is responsible for the overall running of Hillbrook Grange Residential Care Home. The Board is required to meet at least six times per annum, including the Annual General Meeting.

Day to day operational control is vested with the Home's Registered Manager who is supervised by the Chairman and the Vice Chairman.

### **Induction and training**

The charity does not possess a formal policy for the training and induction of trustees.

### **Auditor**

Xeinadin Audit Limited have been re-appointed as auditor for the ensuing year.

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

### **Small company provisions**

The report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.

.....

Mr B Bissell

**Trustee**

.....

Mrs P A Leck

**Trustee**

Date: .....

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 31 MARCH 2025*

---

The trustees, who are also the directors of Hillbrook Grange Residential Care Home for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF HILLBROOK GRANGE RESIDENTIAL CARE HOME

---

#### Opinion

We have audited the financial statements of Hillbrook Grange Residential Care Home (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information 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 our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF HILLBROOK GRANGE RESIDENTIAL CARE HOME

---

#### **Matters on which we are required to report by exception**

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

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

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

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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:

#### ***The extent to which the audit was considered capable of detecting irregularities including fraud***

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our commercial knowledge and experience of the care home sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental, health and safety legislation and requirements of the Care Quality Commission;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF HILLBROOK GRANGE RESIDENTIAL CARE HOME

---

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including CQC, and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Simon Leitch-Devlin, Senior Statutory Auditor**

For and on behalf of Xeinaudit Limited, Statutory Auditor

Chartered Accountants

Riverside House Kings Reach Business Park

Yew Street

Stockport

SK4 2HD

Date: .....

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Total 2025 £	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £
<b>Income and endowments from:</b>							
Donations and legacies	2	700	-	700	1,825	-	1,825
Charitable activities	3	1,918,393	-	1,918,393	1,780,147	-	1,780,147
Investments	4	168,070	-	168,070	155,915	-	155,915
Other income	5	2,719	-	2,719	121	-	121
<b>Total income</b>		<u>2,089,882</u>	<u>-</u>	<u>2,089,882</u>	<u>1,938,008</u>	<u>-</u>	<u>1,938,008</u>
<b>Expenditure on:</b>							
Raising funds	6	3,432	-	3,432	3,770	-	3,770
Charitable activities	7	1,916,708	-	1,916,708	1,788,996	-	1,788,996
<b>Total expenditure</b>		<u>1,920,140</u>	<u>-</u>	<u>1,920,140</u>	<u>1,792,766</u>	<u>-</u>	<u>1,792,766</u>
Net gains/(losses) on investments		<u>14,628</u>	<u>-</u>	<u>14,628</u>	<u>17,213</u>	<u>-</u>	<u>17,213</u>
<b>Net income</b>		<u>184,370</u>	<u>-</u>	<u>184,370</u>	<u>162,455</u>	<u>-</u>	<u>162,455</u>
Transfers between funds		<u>154,208</u>	<u>(154,208)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>	8	<u>338,578</u>	<u>(154,208)</u>	<u>184,370</u>	<u>162,455</u>	<u>-</u>	<u>162,455</u>
<b>Reconciliation of funds:</b>							
Fund balances at 1 April 2024	19	<u>3,231,017</u>	<u>3,500,000</u>	<u>6,731,017</u>	<u>3,068,562</u>	<u>3,500,000</u>	<u>6,568,562</u>
<b>Fund balances at 31 March 2025</b>		<u>3,569,595</u>	<u>3,345,792</u>	<u>6,915,387</u>	<u>3,231,017</u>	<u>3,500,000</u>	<u>6,731,017</u>

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		3,104,158		3,007,504
Investments	14		3,753,524		3,632,264
			<u>6,857,682</u>		<u>6,639,768</u>
<b>Current assets</b>					
Stocks	15	150		150	
Debtors	16	175,643		143,930	
Cash at bank and in hand		97,526		103,856	
			<u>273,319</u>		<u>247,936</u>
<b>Creditors: amounts falling due within one year</b>	17	(215,614)		(156,687)	
<b>Net current assets</b>			<u>57,705</u>		<u>91,249</u>
<b>Total assets less current liabilities</b>			<u>6,915,387</u>		<u>6,731,017</u>
<b>The funds of the charity</b>					
Unrestricted funds - general	20	19	3,569,595		3,231,017
Unrestricted funds - designated	20	19	3,345,792		3,500,000
			<u>6,915,387</u>		<u>6,731,017</u>

The financial statements were approved by the trustees on .....

.....  
Mr B Bissell  
**Trustee**

.....  
Mrs P A Leck  
**Trustee**

Company registration number 07125607 (England and Wales)

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

---

	Notes	2025 £	£	2024 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	24		103,795		1,417,815
<b>Investing activities</b>					
Purchase of tangible fixed assets		(171,563)		(114,733)	
Purchase of investments		(212,306)		(1,456,189)	
Proceeds from disposal of investments		105,674		83,699	
Investment income received		168,070		155,915	
<b>Net cash used in investing activities</b>			(110,125)		(1,331,308)
<b>Net cash generated from financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(6,330)		86,507
Cash and cash equivalents at beginning of year			103,856		17,349
<b>Cash and cash equivalents at end of year</b>			97,526		103,856

The notes on pages 13 to 24 form part of these financial statements.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2025**

---

### 1 Accounting policies

#### **Charity information**

Hillbrook Grange Residential Care Home is a private company limited by guarantee incorporated in England and Wales. Each of trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. The registered office is Hillbrook Grange, Ack Lane East, Bramhall, Stockport, Cheshire, SK7 2BY, UK.

#### 1.1 Accounting convention

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

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 Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### **Basis of preparation**

Hillbrook Grange Residential Care Home 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 notes.

#### 1.2 Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by charity.

The Board consider that the present level of funding remains adequate to support the continuation of the Charity's activities now in operation for the medium term, and its financial position remains satisfactory.

#### 1.3 Charitable funds

#### 1.4 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 the income receivable can be measured reliably.

##### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

##### **Investment income**

Investment income is accounted for in the period in which the charity is entitled to receipt.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

---

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

##### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

##### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

##### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

##### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### 1.6 Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Furniture and equipment	10 - 33% reducing balance
Property - Structure	1 - 3 % straight line
Property - Fixed Equipment	5 - 10 % straight line

Assets in the course of construction are not depreciated.

#### 1.7 Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

---

### 1 Accounting policies

(Continued)

#### 1.8 Stocks

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 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.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

### 1 Accounting policies

(Continued)

#### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 1.14 Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

### 2 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Legacies	700	1,825

### 3 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
<b>Residential care</b>		
Residential care	1,918,393	1,780,147

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

---

### 4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income from fixed asset investments	168,070	155,915

### 5 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	2,719	121

### 6 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Investment management	3,432	3,770

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 7 Expenditure on charitable activities

	Charitable Expenditure 2025 £	Charitable Expenditure 2024 £
<b>Direct costs</b>		
Staff costs	1,419,000	1,310,039
Depreciation and impairment	74,909	76,832
Purchases	83,022	80,342
Staff training	18,800	9,546
Rent and rates	41,207	19,383
Electricity	25,212	31,347
Gas	21,530	41,692
Repairs and maintenance	94,552	86,178
Advertising	19,065	4,454
Bank charges	1,799	1,949
Sundry expenses	-	705
Travel expenses	2,642	414
Bad debts written off	80	498
	<u>1,801,818</u>	<u>1,663,379</u>
<b>Share of support and governance costs (see note 9)</b>		
Support	85,644	96,676
Governance	29,246	28,941
	<u>1,916,708</u>	<u>1,788,996</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	<u>1,916,708</u>	<u>1,788,996</u>

### 8 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	8,100	8,100
Depreciation of owned tangible fixed assets	74,909	76,832
	<u>8,100</u>	<u>8,100</u>

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

### 9 Support costs

	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Staff costs	-	5,306	5,306	-	5,001	5,001
Establishment costs	20,567	-	20,567	18,793	-	18,793
Office expenses	2,357	-	2,357	2,553	-	2,553
Printing, postage and stationery	1,538	-	1,538	7,456	-	7,456
Subscriptions	8,761	-	8,761	8,758	-	8,758
Cleaning	22,338	-	22,338	23,970	-	23,970
Legal and professional costs	30,083	15,840	45,923	35,146	15,840	50,986
Audit fees	-	8,100	8,100	-	8,100	8,100
	<u>85,644</u>	<u>29,246</u>	<u>114,890</u>	<u>96,676</u>	<u>28,941</u>	<u>125,617</u>
Analysed between Charitable activities	<u>85,644</u>	<u>29,246</u>	<u>114,890</u>	<u>96,676</u>	<u>28,941</u>	<u>125,617</u>

### 10 Trustees

During the year the charity made the following transactions with trustees:

Mrs Valerie Egan £6,000 (2024 : £6,000) in respect of nominated individual services and not for the work undertaken in her role as a trustee.

### 11 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
	67	67
	<u>67</u>	<u>67</u>
Employment costs	2025	2024
	£	£
Wages and salaries	1,309,545	1,216,828
Social security costs	88,206	74,915
Other pension costs	26,555	23,297
Other staff costs	42	42
	<u>1,424,348</u>	<u>1,315,082</u>

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 11 Employees

(Continued)

Wages and salaries above includes agency costs of £175,785 (2024 : £159,613)

The total employee benefits of the key management personnel of the charity were £240,794 (2024 : £208,734).

There were no employees whose annual remuneration was more than £60,000.

#### 12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 13 Tangible fixed assets

	Freehold land and buildings £	Assets under construction £	Furniture and equipment £	Total £
<b>Cost</b>				
At 1 April 2024	3,350,998	56,991	505,413	3,913,402
Additions	-	154,208	17,355	171,563
At 31 March 2025	3,350,998	211,199	522,768	4,084,965
<b>Depreciation and impairment</b>				
At 1 April 2024	564,237	-	341,661	905,898
Depreciation charged in the year	42,568	-	32,341	74,909
At 31 March 2025	606,805	-	374,002	980,807
<b>Carrying amount</b>				
At 31 March 2025	2,744,193	211,199	148,766	3,104,158
At 31 March 2024	2,786,761	56,991	163,752	3,007,504

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 14 Fixed asset investments

	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 April 2024	3,632,264
Additions	212,306
Valuation changes	(20,193)
Disposals	(70,853)
At 31 March 2025	<u>3,753,524</u>
<b>Carrying amount</b>	
At 31 March 2025	<u>3,753,524</u>
At 31 March 2024	<u>3,632,264</u>

	<b>2025 £</b>	<b>2024 £</b>
Investments at fair value comprise:		
Equities	422,694	446,279
Money market instruments	3,307,564	3,175,000
Cash held within the investment portfolio	23,266	10,985
	<u>3,753,524</u>	<u>3,632,264</u>

### 15 Stocks

	<b>2025 £</b>	<b>2024 £</b>
Finished goods and goods for resale	<u>150</u>	<u>150</u>

### 16 Debtors

	<b>2025 £</b>	<b>2024 £</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	53,120	74,142
Other debtors	4	301
Prepayments and accrued income	122,519	69,487
	<u>175,643</u>	<u>143,930</u>

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

### 17 Creditors: amounts falling due within one year

	<b>2025</b>	<b>2024</b>
	£	£
Other taxation and social security	16,070	17,148
Trade creditors	115,762	86,595
Other creditors	10,946	5,082
Accruals and deferred income	72,836	47,862
	<u>215,614</u>	<u>156,687</u>

### 18 Retirement benefit schemes

	<b>2025</b>	<b>2024</b>
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	26,555	23,297
	<u>26,555</u>	<u>23,297</u>

### 19 Analysis of net assets between funds

	<b>Unrestricted funds general</b>	<b>Unrestricted funds designated</b>	<b>Total</b>
	<b>2025</b>	<b>2025</b>	<b>2025</b>
	£	£	£
<b>At 31 March 2025:</b>			
Tangible assets	3,104,158	-	3,104,158
Investments	445,960	3,307,564	3,753,524
Current assets/(liabilities)	19,477	38,228	57,705
	<u>3,569,595</u>	<u>3,345,792</u>	<u>6,915,387</u>

	<b>Unrestricted funds general</b>	<b>Unrestricted funds designated</b>	<b>Total</b>
	<b>2024</b>	<b>2024</b>	<b>2024</b>
	£	£	£
<b>At 31 March 2024:</b>			
Tangible assets	3,007,504	-	3,007,504
Investments	457,264	3,175,000	3,632,264
Current assets/(liabilities)	(233,751)	325,000	91,249
	<u>3,231,017</u>	<u>3,500,000</u>	<u>6,731,017</u>

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 20 Unrestricted funds

The income funds of the charity include the following unrestricted funds:

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
General	3,231,017	2,089,882	(1,920,140)	154,208	14,628	3,569,595
Designated	3,500,000			(154,208)		3,345,792
	<u>6,731,017</u>	<u>2,089,882</u>	<u>(1,920,140)</u>	<u>-</u>	<u>14,628</u>	<u>6,915,387</u>
<b>Previous year:</b>	<b>At 1 April 2023 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Gains and losses £</b>	<b>At 31 March 2024 £</b>
General	3,068,562	1,938,008	(1,792,766)		17,213	3,231,017
Designated	3,500,000	-	-		-	3,500,000
	<u>6,568,562</u>	<u>1,938,008</u>	<u>(1,792,766)</u>	<u>-</u>	<u>17,213</u>	<u>6,731,017</u>

These funds have been designated in order to redevelop the 'Old House' at Hillbrook Grange Residential Care Home.

Designated funds relate to the income generated from the sale of land owned by Hillbrook Grange Residential Care Home less initial costs incurred in respect of the redevelopment of the 'Old House'.

### 21 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2025 £	2024 £
Acquisition of property, plant and equipment	<u>24,000</u>	<u>81,600</u>

### 22 Events after the reporting date

In May 2025, the Charity agreed to commit £3,150,000 of contracted capital expenditure in respect of the new build project to erect a two story extension in order to provide an additional 14 bedrooms.

### 23 Related party transactions

#### Transactions with related parties

During the year the charity entered into the following transactions with related parties:

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

---

### 23 Related party transactions

(Continued)

#### Rotary Club of Bramhall and Woodford Charities Trust Fund

Susan Preece is a trustee of Rotary Club of Bramhall and Woodford Charities Trust Fund. During the year Hillbrook Grange Residential Care Home received £700 (2024: £1,725) of donations from Rotary Club of Bramhall and Woodford Charities Trust Fund.

### 24 Cash generated from operations

2025

2024

£

£

Surplus for the year

184,370

162,455

#### Adjustments for:

Investment income recognised in statement of financial activities

(168,070)

(155,915)

Fair value gains and losses on investments

(14,628)

(17,213)

Depreciation and impairment of tangible fixed assets

74,909

76,832

#### Movements in working capital:

(Increase)/decrease in debtors

(31,713)

1,350,006

Increase in creditors

58,927

1,650

**Cash generated from operations**

103,795

1,417,815

24th September 2025

A decorative graphic consisting of three yellow diagonal bars of varying lengths, arranged in a cluster.

# Hillbrook Grange Residential Care Home External Audit Findings Report For the year ended 31<sup>st</sup> March 2025

---

Simon Leitch-Devlin

[Simon.devlin@xeinadin.com](mailto:Simon.devlin@xeinadin.com)

0161 476 8276



# Contents

---

Status and approach	03
Audit opinion and comments	05
Internal controls	06
Findings	08
Independence and non-audit services	09
Added value	10
<b>Appendices</b>	
Unadjusted misstatements	1
Disclosure adjustments	2
Letter of representation	3

# Status and approach

---

## This report has been prepared for the board of trustees of Hillbrook Grange Residential Care Home.

This report summarises the principle matters that have arisen from our audit of the accounts for the year ended 31st March 2025.

At the date of this report, subject to no significant post balance sheet events, we anticipate issuing a clean audit opinion.

This report has been prepared for the board of directors of Hillbrook Grange Residential Care Home for discussion at your meeting on 29th September 2025.

It must not be disclosed to third parties, quoted or referred to, without our prior written consent. No responsibility is assumed by us to any other person.

### Approach

Our audit procedures were carried out in accordance with International Standards on Auditing (UK and Ireland).

Our audit work was carried out at Hillbrook Grange Residential Care Home and our office in accordance with our audit plan and in response to the perceived audit risks, no reasons or significant issues were identified which required us to change our approach and no additional risks were identified.

We consider the approach adopted will provide the trustees with the required confidence that a thorough and robust financial statement audit has been carried out.

### Materiality

The concept of materiality is fundamental to the preparation of the financial statements and to the audit process. We have set our materiality level at £50,000. For audit purposes £2,500 is deemed as merely trivial.

### Acknowledgements

We would like to take the opportunity to express our thanks to Kate Nicholson for her assistance during the course of our audit.

# Status and approach continued

---

## Independence

In accordance with the requirements of Auditing Standards and to assist you in reviewing the nature and extent of audit and non-audit services provided by Xeinadin Audit and its associates, we are writing to set out relevant matters.

The firm provides audit services to the charity in accordance with the terms of our engagement letter. Xeinadin North (a network firm) provides assistance with the preparation of the statutory accounts, monthly bookkeeping and monthly payroll. All adjustments to the statutory accounts are discussed with Kate Nicholson for approval.

We wish to confirm to you that in our opinion the provision of such services by Xeinadin North Limited does not affect our independence as:

The additional services provided are of a routine compliance nature and the Board takes any decisions where judgement is required, and;

Segregation of duties is ensured by using separate teams for audit and non-audit work.

We confirm that, in our professional judgement, the firm and the audit engagement team are independent of Hillbrook Grange Residential Care Home and have complied with relevant ethical requirements concerning independence.

It is the responsibility of the trustees to prepare the accounts on a going concern basis (unless it is inappropriate to prepare them on this basis), additionally the trustees must ensure that the financial statements present a true and fair view and that management go through an appropriate process to arrive at the necessary estimates and judgements.

## Legal and regulatory requirements

Our audit work complies with the following relevant legal and regulatory requirements:

- Financial Reporting Standards Applicable in the UK and Republic of Ireland (FRS102)
- the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP (FRS102))
- the Charities Act 2011

# Audit opinions and comments

---

## **Our anticipated audit opinion will be a clean audit opinion.**

We have no comments to make concerning the qualitative aspects of the entity's accounting practices and financial reporting. Notwithstanding this, there are some weaknesses in internal controls which are outlined on pages 6 to 7.

We did not encounter any significant difficulties during the audit.

No misstatements were adjusted as a result of the audit process.

Unadjusted misstatements noted in the audit process are included in Appendix 1.

Adjustments affecting disclosure only are detailed in Appendix 2.

A draft of our proposed letter of representation is attached at Appendix 3. We draw your attention to paragraphs 10 and 12 concerning specific representations made to us during the course of our audit. In all other respects the letter is routine

# Internal Controls

The purpose of an audit is to express an opinion on the financial statements

Our audit included consideration of internal control relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

The matters being reported here are limited to those deficiencies that we have identified during the course of our audit and we have concluded are of sufficient importance to merit being reported to you in accordance with ISA 265.

It is not meant to be a full and accurate reflection of all weaknesses that may be present in your system.

In making our recommendations, we have considered the size of your company and the number of staff you employ. We shall be glad if you will let us know what steps have been taken in connection with the above.

The following weaknesses were identified, together with their consequences and suggested course of action. They have been categorised as follows



The business is subject to levels of fundamental risk where immediate action should be taken. The risk is so great that it could seriously damage the reputation of the business, increase the risk of fraud or cast doubt on the ability of the business to continue to be a going concern.



A weakness that presents a significant risk to the business, but would not be so serious as to be fundamental. Usually arises from a key control which would be expected to be in place, or a major control failure. Attention is to be given to resolving the position.



These are relatively minor issues. Where a procedure has not been complied with but the non-compliance has not exposed the business to a significant level of risk or financial loss. Usually housekeeping issues where desirable improvements to be made to improve or implement the internal controls.

# Internal Controls

Status	Weakness	Consequence	Recommendations	Ref	Management Response
Merits attention	One Trustee resigned in March 2025, this was not filed with Companies House or the Charities Commission.	Not meeting the requirement to update Companies House and the Charities Commission with changes to the charity	Ensure that all changes in Trustees are filed promptly with Companies House and the Charities Commission	O4	The resignation of the trustee in March, should have been updated with companies' house and the charities commission within the timeframe that is required. Unfortunately, my knowledge of this resignation was that her mother had passed away, and I believed she was having time away, and may revoke her resignation, as an offer was made from the trustees to have time to think about her decision. I should have followed up on this sooner, and in future, will resign trustees as soon as I have knowledge of their resignation.
Merits attention	In November 2024 one employee's overtime hours were duplicated from September 2024	The charity has made an overtime payment where no additional work was undertaken.	Ensure that overtime in the monthly payroll submission sheet is checked to timesheet records before submission.	R300	The payroll overtime was a duplicate error from the payroll sheet. The manager checks and approves wages before they are submitted to pay roll, but at times human error is made and it had been missed by more than one person. In response to mitigating this risk in the future, we have a fresh clear document to start with each month, to stop this duplication happening further.

# Findings relating to planned risk areas: Significant risks\*

Risk and approach	Findings
<b>Management override</b> Review audit trail and journal entries posted within the period and maintain professional scepticism.	<ul style="list-style-type: none"> <li>We have seen no evidence of management override.</li> </ul>
<b>Fraud in respect of revenue recognition</b> Detailed testing of material income streams	<ul style="list-style-type: none"> <li>No information has come to light which suggests instances of material fraud have occurred.</li> </ul>
<b>Regularity body compliance (CQC)</b> Review the most recent CQC inspection	<ul style="list-style-type: none"> <li>There has been no CQC inspection in the year, the latest being February 2023.</li> </ul>
<b>Investment valuation</b> Verification of share values by reference to publicly available market data	<ul style="list-style-type: none"> <li>Investment values are materially correct</li> <li>Identified immaterial difference between market price and price per investment brokers report – Appendix 1</li> </ul>
<b>Creditors completeness</b> Reviewed post year end expense nominals and post year end invoices.	<ul style="list-style-type: none"> <li>We identified immaterial post year-end expenditure relating to the year end 31 March 2025 – Appendix 1.</li> </ul>
<b>Capital commitments</b> Review of post year end expenditure, minutes and contracts to identify any commitments in respect of the new build	<ul style="list-style-type: none"> <li>We identified that a formal contract has been agreed in May 2025 for capital works, this has been disclosed as a post balance sheet event – Appendix 2</li> </ul>

# Independence and non-audit services

We have considered whether non-audit services might be perceived as a threat to our independence as the charity’s auditor and have ensured that appropriate safeguards are put in place.

The below non-audit services are consistent with the Board’s policy on the allotment of non-audit work to your auditors.

Ethical standards and ISA UK 260 require us to give you full and fair disclosure of matters relating to our independence. In this context:

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention.

We have complied with the FRC’s Ethical Standards and therefore we confirm that we are independent and are able to express an objective opinion on the financial statements

We confirm that we have implemented policies and procedures to meet the requirements of the FRC’s Ethical Standards.

For the purposes of our audit we have made enquiries of all Xeinadin Audit teams and teams within the Xeinadin network providing services to The Hillbrook Grange Residential Care Home. The table summarises all non-audit services which were identified.

During the year the fees for non-audit services totalled £13,200 plus VAT.

Non-audit service provided	Service provided by	Threat	Safeguard
Statutory accounts production	Xeinadin North (Network firm)	Yes	Separate team
Monthly payroll	Xeinadin North (Network firm)	Yes	Separate team
Monthly bookkeeping	Xeinadin North (Network firm)	Yes	Separate team

# Why choose Xeinaadin?



## Supporting You

We know the importance of regular contact and our client care programme enables us to keep up to date with your challenges and offer an opportunity to share best practice.



## Fixed Fee

All fees will be agreed and fixed up front. Any extra work will not be undertaken without your approval. We also offer a unique money back guarantee if you're ever unhappy with our service.



## Strategic Hurdles

We will guide and support you through the legal, financial and regulatory responsibilities, which means you can concentrate on the strategic development of your practice.



## Delivering Results

Our aim is to become part of your team. We'll get to know your practice inside out; this means we can be a true business partner that easily identifies problems and spots opportunities.



## High Quality

Our clients' needs have been placed at the heart of our growth. As part of our commitment to help you, we will always share best practice with you.

# Thank you!

---

[www.xeinadin.co.uk](http://www.xeinadin.co.uk)

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**

England & Wales - Charity number 1146488

---

# Accounts

---

Charity registration number 1146488

Company registration number 07125607 (England and Wales)

**HILLBROOK GRANGE RESIDENTIAL CARE HOME  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## CONTENTS

---

	Page
Legal and administrative information	1
Trustees' report	2 - 5
Statement of trustees' responsibilities	6
Independent auditor's report	7 - 9
Statement of financial activities	10 - 11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 26

---

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## LEGAL AND ADMINISTRATIVE INFORMATION

### Trustees

Mr B Bissell  
Mrs P A Leck  
Miss J W Westbrook  
Mr J McGahan  
Mrs S Preece  
Dr Lesley Taylor (resigned 11 March 2024)  
Mrs V Egan  
Mrs E M Wooding  
Mr Robert Arnison (appointed 13 June 2024)

### Senior Management Team

Mrs Rosaleen Charles, Registered Manager  
Ms Kate Nicholson, Business Manager  
Mr Thomas Linname, Deputy Manager  
Ms Heather Urwin, Operations Manager  
Mr Conor Neillis, Kitchen Manager  
Mrs Pamela Jones, Receptionist

### Charity number

1146488

### Company number

07125607

### Registered office

Hillbrook Grange  
Ack Lane East  
Bramhall  
Stockport  
Cheshire  
UK  
SK7 2BY

### Auditor

Xeinadin Audit Limited  
Riverside House, Kings Reach Business Park  
Yew Street  
Stockport  
Cheshire  
United Kingdom  
SK4 2HD

### Bankers

Co-operative Bank  
St Pauls House  
10 Warwick Lane  
London  
EC4M 7BP

### Investment advisors

Investec Wealth and Investment Limited  
30 Gresham Street  
London  
EC2V 7QN

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2024

---

The trustees, who are also the directors, present their report and the financial statements of the charity for the year ended 31 March 2024.

#### REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and their professional advisers on page 1 of the financial statements.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### The Trustees

Mr Robert Bruce Bissell (Chairman)  
Mrs Patricia A Leck

Miss June W Westbrook

Mr John McGahan (Treasurer)

Mrs Susan Preece (Company Secretary)

Dr Lesley Taylor (resigned 11 March 2024)

Mrs Elizabeth M Wooding

Mrs Valerie Egan

Mr Robert Arison (appointed 13 June 2024)

#### Structure, governance and management

##### Governing document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 14th October 2011. The charity is run by its Board, which consists of four Principal Officers and no more than 14 other members, with power to co-opt as necessary no more than two extra members and to fill vacancies at any time prior to election at the next Annual General Meeting.

The period of membership of those filling such vacancies shall be the outstanding period of the member replaced. The four Principal Officers are Chairman, Vice Chairman, Secretary and Treasurer.

##### Recruitment and appointment of trustees

The Board shall be elected for three years, and one-third of the Board shall retire each year in rotation. Retiring members shall be eligible for re-election by the remaining Board members at the AGM each year. Following election at the AGM, the full Board shall appoint from their number the four Principal Officers who shall hold office for one year but on retirement, shall be eligible for re-election for a maximum of four years. The Board may also appoint such other officers as they deem appropriate.

##### Induction and training

The charity does not possess a formal policy for the training and induction of trustees.

##### Organisational structure

The Board is responsible for the overall running of Hillbrook Grange Residential Care Home. The Board is required to meet at least six times per annum, including the Annual General Meeting.

Day to day operational control is vested with the Home's Registered Manager who is supervised by the Chairman and the Vice Chairman.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

---

#### **Objectives and activities**

The Constitution defines the objects of the Charity as:

- a) to promote and assist the general good of elderly people principally, but not exclusively, in the district of Bramhall and Woodford who are in need, by providing specially designed or adapted accommodation or housing and services or facilities calculated to meet the needs of such persons;
- b) to assist statutory authorities and other voluntary organisations engaged in providing facilities for physical improvement and furthering health; or in pursuing any objects which now are or subsequently may be deemed by law to be charitable;
- c) to provide and manage the residential care home known as "Hillbrook Grange" in Ack Lane, Bramhall or together with any other facilities for the elderly as may be deemed by the directors to be necessary to attain the objects of the charity;
- d) to promote and advance all such purposes as are recognised from time to time by the laws of England and Wales to be charitable. The Board considers that the objects are met by the principal activity, which is the provision of residential accommodation for the elderly.

#### **Public benefit**

In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The Trust relies on the income from fees and charges to cover its operating costs. In setting the level of fees, the trustees give due consideration to the need to ensure that the residential accommodation of Hillbrook Grange is accessible to elderly people principally though not exclusively in the district of Bramhall and Woodford.

#### **Achievements and performance**

The operation of Hillbrook Grange is now fully stabilised after some difficult years led by the register manager who has now established a competent senior team. We have been successful in retaining staff and operated with a full complement of our own team members for most of the year. This undoubtedly has resulted in an improved level of care as we place emphasis on training. Additionally we are undertaking a project to improve the operation of the senior team by clarifying roles, promoting more cohesive working and delegation of authority.

The financial position has also stabilised, break even having been achieved which was our financial target. This has been achieved by the combination of the benefit of almost full occupation, price rises and a contribution from offering some refurbished rooms in the Old House for respite care. This has proved a successful venture with the cost of refurbishment being fully justified.

Work on improving compliance standards has continued but the expected re-inspection by the CQC is long overdue which is a disappointment. However recent inspections by the local authority covering a number of areas has gone well.

The focus of staff is to give residents the best possible experience in the latter years of their lives. To this end a new activities coordinator has been appointed supported by an assistant. This has enabled a more wide ranging programme to be introduced. Fund raising is being undertaken to subsidise the cost of wheel chair transport. A wider dining experience is being offered tailored to the residents likes.

A planning application was submitted to Stockport planning for the demolition of the Old House and its replacement with seventeen ensuite bedrooms housed in a new block but fully connected to existing facilities. Improvements to these are also included comprising a new dining room and kitchen and enlarged public spaces and lounges. Full planning approval was obtained in May 2024. The work will be funded by the proceeds of the recent land sale.

The focus for the year ahead with operations fully stabilised will be the new build project. The management team are fully aware of the challenge of maintaining the current quality of care during construction work. Contractor selection will be important with this in mind. The board looks forward to Hillbrook Grange going from strength to strength.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### Investment review

During the year under review the portfolio produced a yield of 5.02% (2023: 3.89%).

Some 3 per cent of the portfolio comprises low risk investment in fixed interest bonds. 87 percent of the portfolio comprises cash invested in money market instruments. The balance comprises medium risk investment in ethical concerns based predominantly in UK, Europe and North America, with more limited exposure to companies in the Far East, the emerging economies, property and AIM.

#### Financial review

As detailed in the report above 2023/24 has been a year when the operation has been further stabilised and the losses which occurred in 2023/24 reduced. The income has increased by £398,189 during the year. The surplus from operating activities of £145,242 before investment movements is an improvement compared to the operating deficit of £159,483 before investment movements and sale of land benefits in 2022/23.

#### Reserves policy

Following the sale of the land the Board consider that the present level of funding remains adequate to support the continuation of the Charity's activities now in operation for the medium term, and its financial position remains satisfactory.

The Home has operated at occupancy levels of 90% with vacancies usually being filled within weeks.

The Board are of the opinion that a reasonable level of free reserves would be a sum sufficient to fund six months' expenses estimated to be in the order of £500,000. The Trustees are satisfied that the Home is a going concern.

At 31st March 2024, the net book value of fixed assets amounted to £3,007,504. Movements in fixed assets are shown in note 14 to the financial statements.

At 31st March 2024, funds carried forward amounted to £6,765,873, of which all related to unrestricted funds. £3,500,000 of unrestricted funds has been designated in order to redevelop the 'Old House' at Hillbrook Grange Residential Care Home. The remaining £3,265,873 relates to general unrestricted funds. There were no restricted funds carried forward at 31st March 2024.

#### Investment policy

The charity will not knowingly invest in securities that do not accord with its principles. If investments that are considered inappropriate are received as legacies, they are sold as soon as practicable and the proceeds are re-invested.

#### Plans for future periods Redevelopment of Old House

Using the proceeds of the land sale amounting to £3.5 million we are planning the demolition of the "Old House" – a Victorian property which is not fit for purpose - and the construction in its place of seventeen ensuite rooms, as well as allowing for the transfer of a sum to augment the Charity's reserves. The sale of the land to McCarthy & Stone which was completed at the end of June 2021 places Hillbrook in a strong financial position.

Full planning approval for the demolition of the "Old House" was obtained in May 2024.

#### Risk statement

The major risks to which the charity is exposed have been identified and reviewed by the trustees, and systems and procedures have been established to manage those risks.

#### Auditor

Xeinadin Audit Limited have been re-appointed as auditor for the ensuing year.

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**  
**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

---

**Disclosure of information to auditor**


Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.  
Small company provisions

The report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.



.....  
Mir B Bissell  
Trustee



.....  
Mrs P A Leck  
Trustee *TOTAL MCCAINTY*

Date: *30/9/24* .....

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of Hillbrook Grange Residential Care Home for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practices).

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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board of Trustees



Mr B Bissell  
Trustee



Mrs P Atter  
Trustee

Date: 30/9/24

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF HILLBROOK GRANGE RESIDENTIAL CARE HOME

#### Opinion

We have audited the financial statements of Hillbrook Grange Residential Care Home (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information 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 our audit:
- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
  - the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF HILLBROOK GRANGE RESIDENTIAL CARE HOME

#### Matters on which we are required to report by exception

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

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

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

#### Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### 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:

#### *The extent to which the audit was considered capable of detecting irregularities including fraud*

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our commercial knowledge and experience of the care home sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental, health and safety legislation and requirements of the Care Quality Commission;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**  
**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE TRUSTEES OF HILLBROOK GRANGE RESIDENTIAL CARE HOME**

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including CQC, and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity'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 charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*S Leitch - J Pevler* 14/10/2024

Simon Leitch-Devlin (ACA) (Senior Statutory Auditor)  
for and on behalf of Xeimadin Audit Limited  
Chartered Accountants  
Statutory Auditor  
Riverside House, Kings Reach Business Park  
Yew Street  
Stockport  
Cheshire  
United Kingdom  
SK4 2HD

## HILLBROOK GRANGE RESIDENTIAL CARE HOME

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2024

Current financial year	Notes	Unrestricted funds		Unrestricted funds designated 2024	Total 2024	Total 2023
		2024	£			
<b>Income and endowments from:</b>						
Income from donations, legacies and grants	2	1,825	-	-	1,825	730
Charitable activities	3	1,780,147	-	-	1,780,147	1,490,131
Investment income	4	155,915	-	-	155,915	48,935
Other income	5	121	-	-	121	23
<b>Total income</b>		<b>1,938,008</b>	-	-	<b>1,938,008</b>	<b>1,539,819</b>
<b>Expenditure on:</b>						
Raising funds	6	3,770	-	-	3,770	3,935
Charitable activities	7	1,788,996	-	-	1,788,996	1,695,367
<b>Total expenditure</b>		<b>1,792,766</b>	-	-	<b>1,792,766</b>	<b>1,699,302</b>
Net profit/(loss) on disposal of land		-	-	-	-	1,396,700
Net gains/(losses) on investments		17,213	-	-	17,213	(30,861)
<b>Net movement in funds</b>		<b>162,455</b>	-	-	<b>162,455</b>	<b>1,206,356</b>
Fund balances at 1 April 2023		3,068,562	3,500,000	6,568,562	5,362,206	
<b>Fund balances at 31 March 2024</b>		<b>3,231,017</b>	<b>3,500,000</b>	<b>6,731,017</b>	<b>6,568,562</b>	

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

## HILLBROOK GRANGE RESIDENTIAL CARE HOME

### STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2024

Prior financial year	Notes	Unrestricted funds 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
<u>Income and endowments from:</u>				
Income from donations, legacies and grants	2	730	-	730
Charitable activities	3	1,490,131	-	1,490,131
Investment income	4	48,935	-	48,935
Other income	5	23	-	23
<b>Total income</b>		<b>1,539,819</b>	<b>-</b>	<b>1,539,819</b>
<u>Expenditure on:</u>				
Raising funds	6	3,935	-	3,935
Charitable activities	7	1,695,367	-	1,695,367
<b>Total expenditure</b>		<b>1,699,302</b>	<b>-</b>	<b>1,699,302</b>
Net profit/(loss) on disposal of land		1,396,700	-	1,396,700
Net gains/(losses) on investments		(30,861)	-	(30,861)
Gross transfers between funds		(3,500,000)	3,500,000	-
<b>Net movement in funds</b>		<b>(2,293,644)</b>	<b>3,500,000</b>	<b>1,206,356</b>
Fund balances at 1 April 2022		5,362,206	-	5,362,206
<b>Fund balances at 31 March 2023</b>		<b>3,068,562</b>	<b>3,500,000</b>	<b>6,568,562</b>

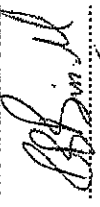
# HILLBROOK GRANGE RESIDENTIAL CARE HOME


## BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024	2023
		£	£
<b>Fixed assets</b>			
Tangible assets			
Investments	13	3,007,504	2,969,603
	14	<u>3,632,264</u>	<u>2,242,581</u>
		6,639,768 ✓	5,212,164
<b>Current assets</b>			
Stocks	15	150	150
Debtors	16	143,930	1,493,935
Cash at bank and in hand		103,856 ✓	17,349
		<u>247,936</u> ✓	<u>1,511,434</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>(156,687)</u>	<u>(155,036)</u>
<b>Net current assets</b>		91,249	1,356,398
<b>Total assets less current liabilities</b>		<u>6,731,017</u>	<u>6,568,562</u>
<b>Income funds</b>			
<u>Unrestricted funds</u>			
General unrestricted funds	20	3,231,017	3,068,562
Designated unrestricted funds		<u>3,500,000</u>	<u>3,500,000</u>
<b>Total funds</b>		6,731,017	6,568,562
		<u>6,731,017</u>	<u>6,568,562</u>

The financial statements were approved by the Trustees on 30/09/2024

  
 Mr B Bissell  
 Trustee

  
 Mrs P A Leck  
 Trustee

Company registration number 07125607

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024	2023
		£	£
<b>Cash flows from operating activities</b>			
Cash generated from/(absorbed by) operations	25	1,417,815	(1,518,815)
<b>Investing activities</b>			
Purchase of tangible fixed assets		(114,733)	(40,393)
Proceeds on disposal of investment property		-	1,396,700
Purchase of other investments		(1,456,189)	-
Proceeds on disposal of other investments		83,699	89,912
Investment income received		155,915	48,935
<b>Net cash (used in)/generated from investing activities</b>		(1,331,308)	1,495,154
<b>Net cash used in financing activities</b>		-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		86,507	(23,661)
Cash and cash equivalents at beginning of year		17,349	41,010
<b>Cash and cash equivalents at end of year</b>		<u>103,856</u>	<u>17,349</u>

The notes on pages 14 to 26 form part of these financial statements.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

### 1 Accounting policies

#### Charity information

Hillbrook Grange Residential Care Home is a private company limited by guarantee incorporated in England and Wales. Each of trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. The registered office is Hillbrook Grange, Ack Lane East, Bramhall, Stockport, Cheshire, SK7 2BY, UK.

#### 1.1 Accounting convention

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

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 Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### Basis of preparation

Hillbrook Grange Residential Care Home 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 notes.

#### 1.2 Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by charity. The Board consider that the present level of funding remains adequate to support the continuation of the Charity's activities now in operation for the medium term, and its financial position remains satisfactory.

#### 1.3 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 the income receivable can be measured reliably.

##### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

##### Investment income

Investment income is accounted for in the period in which the charity is entitled to receipt.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

**1 Accounting policies** (Continued)

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

**Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

**Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

**Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

**1.5 Tangible fixed assets**

Individual fixed assets costing £100.00 or more are initially recorded at cost.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Furniture and equipment	10 - 33% reducing balance
Property - Structure	1 - 3 % straight line
Property - Fixed Equipment	5 - 10% straight line

**1.6 Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

**1.7 Stocks**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 1 Accounting policies (Continued)

##### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Basic financial liabilities*

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

##### 1.10 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.

##### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (Continued)

### 1.12 Retirement benefits

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### 1.13 Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## 2 Income from donations and legacies

Unrestricted funds	Unrestricted funds
2024	2023
£	£
<u>1,825</u>	<u>730</u>

Legacies receivable

## 3 Income from charitable activities

Unrestricted funds	Unrestricted funds
2024	2023
£	£
<u>1,780,147</u>	<u>1,490,131</u>

Residential care

## 4 Income from investments

Unrestricted funds	Unrestricted funds
2024	2023
£	£
<u>155,915</u>	<u>48,935</u>

Other income from fixed asset investments

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

5	Other income	Unrestricted funds 2024 £	121	Unrestricted funds 2023 £	23
			<u>121</u>		<u>23</u>
6	Raising funds	Unrestricted funds		Unrestricted funds	
	Investment management;	2024	£	2023	£
	Other portfolio management costs	3,770		3,935	
		<u>3,770</u>		<u>3,935</u>	
		<u>3,770</u>		<u>3,935</u>	

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 Expenditure on charitable activities	Charitable Expenditure 2024	Charitable Expenditure 2023
	£	£
<b>Direct costs</b>		
Staff costs	1,310,039	1,146,982
Depreciation and impairment	76,832	81,425
Purchases	80,342	70,266
Staff training	9,546	6,176
Rent and rates	19,383	20,116
Electricity	31,347	37,253
Gas	41,692	58,157
Repairs and maintenance	86,178	106,751
Advertising	4,454	5,520
Bank charges	1,949	2,332
Sundry expenses	705	-
Travel expenses	414	395
Bad debts written off	498	-
	<u>1,663,379</u>	<u>1,535,373</u>
<b>Share of support and governance costs (see note 8)</b>		
Support	96,676	129,674
Governance	28,941	30,320
	<u>1,788,996</u>	<u>1,695,367</u>
<b>Analysis by fund</b>		
Unrestricted funds	<u>1,788,996</u>	<u>1,695,367</u>

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

8 Support costs	Support Governance costs		2024		Support Governance costs		2023	
	£	£	£	£	£	£	£	£
Staff costs	-	5,001	5,001	-	4,635	4,635	4,635	
Establishment cost	18,793	-	18,793	18,003	-	18,003	18,003	
Office expenses	2,553	-	2,553	660	-	660	660	
Printing, postage and stationery	7,456	-	7,456	9,265	-	9,265	9,265	
Subscriptions	8,758	-	8,758	8,374	-	8,374	8,374	
Cleaning	23,970	-	23,970	22,195	-	22,195	22,195	
Legal and professional costs	35,146	15,840	50,986	71,177	17,585	88,762	88,762	
Audit fees	-	8,100	8,100	-	8,100	8,100	8,100	
	<u>96,676</u>	<u>28,941</u>	<u>125,617</u>	<u>129,674</u>	<u>30,320</u>	<u>159,994</u>	<u>159,994</u>	
Analysed between								
Charitable activities	<u>96,676</u>	<u>28,941</u>	<u>125,617</u>	<u>129,674</u>	<u>30,320</u>	<u>159,994</u>	<u>159,994</u>	

### 9 Net movement in funds

Net movement in funds is stated after charging/(crediting)

Depreciation of owned tangible fixed assets

Loss/(profit) on disposal of land

2024	2023
£	£
76,832	81,425
-	(1,396,700)

### 10 Trustees

During the year the charity made the following transactions with trustees:  
Mrs Valerie Egan £6,000 (2023 : £6,000) in respect of nominated individual services and not for the work undertaken in her role as a trustee.

### 11 Employees

The average monthly number of employees during the year was:

2024	2023
Number	Number
67	53

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

14	Fixed asset investments	Listed investments £	Cash in portfolio £	Total £
	<b>Cost or valuation</b>			
	At 1 April 2023	2,239,623	2,938	2,242,561
	Additions	1,456,189	(1,456,189)	-
	Valuation changes	17,213	1,372,490	1,389,703
	Disposals	(91,746)	91,746	-
	At 31 March 2024	3,621,279	10,985	3,632,264
	<b>Carrying amount</b>			
	At 31 March 2024	3,621,279	10,985	3,632,264
	At 31 March 2023	2,239,623	2,938	2,242,561

15	Stocks	2024 £	2023 £
	Finished goods and goods for resale	150	150

16	Debtors	2024 £	2023 £
	<b>Amounts falling due within one year:</b>		
	Trade debtors	74,142	57,625
	Other debtors	301	1,396,700
	Prepayments and accrued income	59,487	39,610
		143,930	1,493,935

Other debtors in 2023 totalling £1,396,700 relates solely to the proceeds from the land sale which took place in June 2021. These proceeds were received in July 2023, following the sale and occupation of the first retirement property by McCarthy and Stone.

17	Creditors: amounts falling due within one year	2024 £	2023 £
	Trade creditors	86,595	64,126
	Other taxation and social security	17,148	19,879
	Other creditors	5,082	4,850
	Accruals and deferred income	47,862	66,181
		156,687	155,036

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

11 Employees	(Continued)	
Employment costs	2024	2023
	£	£
Wages and salaries	1,216,828	1,070,404
Social security costs	74,915	61,255
Pension costs	23,297	19,958
Other staff costs	42	42
	<u>1,315,082</u>	<u>1,151,659</u>

Wages and salaries above includes agency costs of £159,613 (2023 : £246,748)

The total employee benefits of the key management personnel of the charity were £190,428 (2023 : £191,829).

There were no employees whose annual remuneration was more than £60,000.

### 12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

### 13 Tangible fixed assets

Cost	Freehold land and buildings £	Assets under construction £	Furniture and equipment £	Total £
At 1 April 2023	3,348,968	-	449,701	3,798,669
Additions	2,030	56,991	55,712	114,733
At 31 March 2024	<u>3,350,998</u>	<u>56,991</u>	<u>505,413</u>	<u>3,913,402</u>
<b>Depreciation and impairment</b>				
At 1 April 2023	517,440	-	311,626	829,066
Depreciation charged in the year	46,797	-	30,035	76,832
At 31 March 2024	<u>564,237</u>	<u>-</u>	<u>341,661</u>	<u>905,898</u>
<b>Carrying amount</b>				
At 31 March 2024	<u>2,786,761</u>	<u>56,991</u>	<u>163,752</u>	<u>3,007,504</u>
At 31 March 2023	<u>2,831,528</u>	<u>-</u>	<u>138,075</u>	<u>2,969,603</u>

## HILLBROOK GRANGE RESIDENTIAL CARE HOME

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Retirement benefit schemes	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	23,297	19,958

#### 19 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Total
	2024	2024	2024
	£	£	£
<b>At 31 March 2024:</b>			
Tangible assets	3,007,504	-	3,007,504
Investments	457,264	3,175,000	3,632,264
Current assets/(liabilities)	(233,751)	325,000	91,249
	<u>3,231,017</u>	<u>3,500,000</u>	<u>6,731,017</u>

	Unrestricted funds	Designated funds	Total
	2023	2023	2023
	£	£	£
<b>At 31 March 2023:</b>			
Tangible assets	2,969,603	-	2,969,603
Investments	444,261	1,798,300	2,242,561
Current assets/(liabilities)	(345,302)	1,701,700	1,356,398
	<u>3,068,562</u>	<u>3,500,000</u>	<u>6,568,562</u>

HILLBROOK GRANGE RESIDENTIAL CARE HOME  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED 31 MARCH 2024

20 Unrestricted funds

The income funds of the charity include the following unrestricted funds:

Movement in funds				Movement in funds			
Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers
£	£	£	£	£	£	£	£
5,362,206	2,936,519	(1,730,163)	(3,500,000)	3,068,562	1,938,008	1,757,910	-
General							
Designated	-	-	3,500,000	3,500,000	-	-	-
	2,936,519	(1,730,163)	(3,500,000)	3,068,562	1,938,008	1,757,910	-
	2,936,519	(1,730,163)	-	6,568,562	2,936,519	1,757,910	-
	5,362,206	(1,730,163)	-	6,568,562	2,936,519	1,757,910	-
	6,765,873	3,265,873	3,500,000	6,765,873	3,265,873	17,213	17,213
	6,765,873	3,265,873	3,500,000	6,765,873	3,265,873	17,213	17,213

Designated funds relate solely to the income generated from the sale of land owned by Hillbrook Grange Residential Care Home. These funds have been designated in order to redevelop the 'Old House' at Hillbrook Grange Residential Care Home.

## HILLBROOK GRANGE RESIDENTIAL CARE HOME

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

#### 21 Capital commitments

Amounts contracted for but not provided in the financial statements:

2024	2023
£	£

Acquisition of property, plant and equipment	81,600	-
--	--------	---

#### 22 Events after the reporting date

In May 2024 Hillbrook Grange Residential Care Home were granted planning permission from Stockport Council in respect of their 'new build' project to erect a two story extension in order to provide an additional 17 bedrooms.

Professional fees relating to architectural services undertaken in respect of the above mentioned project have been capitalised and included within assets under construction as per note 13.

#### 23 Related party transactions

##### Transactions with related parties

During the year the charity entered into the following transactions with related parties:

##### Rotary Club of Bramhall and Woodford Charities Trust Fund

Susan Preece is a trustee of Rotary Club of Bramhall and Woodford Charities Trust Fund. During the year Hillbrook Grange Residential Care Home received £1,275 (2023: £nil) of donations from Rotary Club of Bramhall and Woodford Charities Trust Fund.

#### 24 Analysis of changes in net funds

The charity had no material debt during the year.

## HILLBROOK GRANGE RESIDENTIAL CARE HOME

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

	2024	2023
	£	£
25 Cash generated from operations		
Surplus for the year	162,455	1,206,356
Adjustments for:		
Investment income recognised in statement of financial activities	(155,915)	(48,935)
Gain on disposal of investment property	-	(1,396,700)
Fair value gains and losses on investments	(17,213)	30,861
Depreciation and impairment of tangible fixed assets	76,832	81,425
Movements in working capital:		
Decrease/(increase) in debtors	1,350,005	(1,456,800)
Increase in creditors	1,651	64,978
<b>Cash generated from/(absorbed by) operations</b>	<u>1,417,815</u>	<u>(1,518,815)</u>

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**

England & Wales - Charity number 1146488

---

# Accounts

---

Charity registration number 1146488

Company registration number 07125607 (England and Wales)

**HILLBROOK GRANGE RESIDENTIAL CARE HOME  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## CONTENTS

---

	<b>Page</b>
Legal and administrative information	1
Trustees' report	2 - 6
Statement of trustees' responsibilities	7
Independent auditor's report	8 - 10
Statement of financial activities	11 - 12
Balance sheet	13
Statement of cash flows	14
Notes to the financial statements	15 - 26

---

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	Mr B Bissell Mrs P A Leck Miss J W Westbrook Mr J McGahan Mrs S Preece Dr L Taylor Mrs V Egan Mrs E M Wooding
<b>Senior Management Team</b>	Mrs Rosaleen Charles, Registered Manager Ms Kate Nicholson, Business Manager Mr Thomas Linnane, Deputy Manager Ms Heather Unwin, Operations Manager Mr Conor Nellis, Kitchen Manager Mrs Pamela Jones, Receptionist
<b>Charity number</b>	1146488
<b>Company number</b>	07125607
<b>Registered office</b>	Hillbrook Grange Ack Lane East Bramhall Stockport Cheshire UK SK7 2BY
<b>Auditor</b>	Xeinadin Audit Limited Riverside House, Kings Reach Business Park Yew Street Stockport Cheshire United Kingdom SK4 2HD
<b>Bankers</b>	Co-operative Bank St Pauls House 10 Warwick Lane London EC4M 7BP
<b>Investment advisors</b>	Investec Wealth and Investment Limited 30 Gresham Street London EC2V 7QN

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

---

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

#### REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and their professional advisers on page 1 of the financial statements.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### The Trustees

Mr Robert Bruce Bissell (Chairman)

Mrs Patricia A Leck

Miss June W Westbrook

Mr John McGahan (Treasurer)

Mrs Susan Preece (Company Secretary)

Dr Lesley Taylor

Mrs Elizabeth M Wooding

Mrs Valerie Egan

#### Structure, governance and management

##### Governing document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 14th October 2011. The charity is run by its Board, which consists of four Principal Officers and no more than 14 other members, with power to co-opt as necessary no more than two extra members and to fill vacancies at any time prior to election at the next Annual General Meeting.

The period of membership of those filling such vacancies shall be the outstanding period of the member replaced. The four Principal Officers are Chairman, Vice Chairman, Secretary and Treasurer.

##### Recruitment and appointment of trustees

The Board shall be elected for three years, and one-third of the Board shall retire each year in rotation. Retiring members shall be eligible for re-election by the remaining Board members at the AGM each year. Following election at the AGM, the full Board shall appoint from their number the four Principal Officers who shall hold office for one year but on retirement, shall be eligible for re-election for a maximum of four years. The Board may also appoint such other officers as they deem appropriate.

##### Induction and training

The charity does not possess a formal policy for the training and induction of trustees.

##### Organisational structure

The Board is responsible for the overall running of Hillbrook Grange Residential Care Home. The Board is required to meet at least six times per annum, including the Annual General Meeting.

Day to day operational control is vested with the Home's Registered Manager who is supervised by the Chairman and the Vice Chairman.

---

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2023*

---

### **Objectives and activities**

The Constitution defines the objects of the Charity as:

- a) to promote and assist the general good of elderly people principally, but not exclusively, in the district of Bramhall and Woodford who are in need, by providing specially designed or adapted accommodation or housing and services or facilities calculated to meet the needs of such persons;
- b) to assist statutory authorities and other voluntary organisations engaged in providing facilities for physical improvement and furthering health; or in pursuing any objects which now are or subsequently may be deemed by law to be charitable;
- c) to provide and manage the residential care home known as "Hillbrook Grange" in Ack Lane, Bramhall or together with any other facilities for the elderly as may be deemed by the directors to be necessary to attain the objects of the charity;
- d) to promote and advance all such purposes as are recognised from time to time by the laws of England and Wales to be charitable. The Board considers that the objects are met by the principal activity, which is the provision of residential accommodation for the elderly.

### **Public benefit**

In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The Trust relies on the income from fees and charges to cover its operating costs. In setting the level of fees, the trustees give due consideration to the need to ensure that the residential accommodation of Hillbrook Grange is accessible to elderly people principally though not exclusively in the district of Bramhall and Woodford.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

---

#### **Achievements and performance**

The good start in restoring a high quality of care at Hillbrook Grange in 2022 was continued and stabilised in the year to end March 2023. Under the direction of the registered manager considerable recruitment and replacement of staff continued such that at the time of writing an almost full complement of staff has been achieved despite the nationwide problem of recruiting care staff. This has a number of benefits especially improving the quality of care through full training of all staff in the culture and practices we believe are important. The much lower dependency on agency staff has an important financial benefit.

At management level there is a small stable competent team with clearly defined roles. Of particular note is that the quality team of senior carers has much improved with consequent benefit to the operation of the home. The level of complaints from residents and families, an issue of the previous year, has almost fallen to zero and been replaced by many compliments. Relationships are positive which contributes to the friendly atmosphere that has been created.

The old house which we wish to replace in the near future has, as a temporary measure, had the first floor modified to create five rooms and communal facilities which will be used for respite care. Because of access constraints the rooms are only suitable for more mobile residents. Income from this project will give a short term boost to finances.

The CQC carried out inspections twice in the year, the second at our request as we felt discrepancies in the administration of medicines, specifically paracetamol, had been wrongly assessed. However the second inspection in January 23 found continuing issues and maintained the 'requires improvement' rating. The inspection of pharmacy practice was incredibly detailed and the faults found in our view minor. At a follow up conference call with senior CQC staff it was admitted that most homes would fail such an intense inspection. A re-inspection is awaited.

The financial performance of the home has improved from the previous year but is still running at a loss. To respond to the inflationary pressures on staff costs, energy and food, room charges were increased by 10% from November with a further increase to take effect in April 23. With these increases, it is estimated that the impact of inflation will be reduced and break-even possible provided we maintain a high level of occupancy. The balance sheet remains healthy thanks to the income from the sale of land.

Construction of the development by McCarthy and Stone of apartments for the elderly has continued without any significant impact on Hillbrook Grange. Access road surfaces have been improved. The balance of the sales price £1.396m was due when the first apartment was occupied and this was received just after our financial year close. We have started work with an architect on the design of the facilities to replace the Old House. In addition to a significant number of new rooms, communal areas in the existing building will be improved. Submission of a planning application is planned for summer 23.

Hillbrook Grange has resumed its role in providing affordable care for the residents of Bramhall and beyond. With experienced management and staff providing an excellent quality of care, we can look forward to expansion of our facilities to play an increased role in the care sector.

The land sale was completed in June 21 and construction by McCarthy and Stone (McC&S) commenced in the autumn. This has been achieved without significant disruption to the home. Relationships are good with McC&S and the construction staff. The agreed sale price will be paid in 2 instalments. The first of £2-1m has substantially improved the liquidity of our balance sheet. The second will follow of the first sale of one of the 40 apartments for senior living. It is planned to use the sale proceeds to replace the Old House with a purpose built unit to expand our offer to the community.

Hillbrook Grange has been through a turbulent and difficult period but I am confident for the future with a new team in place supported with an enthusiastic board of trustees. There is still much planned by the team to further improve the care experience and there are challenges to face not the least being the soaring cost of energy. These will be overcome with the same commitment and dedication displayed in the past year.

#### **Investment review**

During the year under review the portfolio produced a yield of 3.89% (2022:1.04%).

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2023*

---

Some 4 per cent of the portfolio comprises low risk investment in fixed interest bonds. 80 percent of the portfolio comprises cash invested in money market instruments. The balance comprises medium risk investment in ethical concerns based predominantly in UK, Europe and North America; with more limited exposure to companies in the Far East, the emerging economies, property and AIM.

### **Financial review**

As detailed in the report above 2022/23 has been a year when the operation has been further stabilised and the losses which occurred in 2021/22 reduced. The income has increased by some £200,000 despite the ending of substantial government grants during the pandemic. The loss from operating activities was reduced to £159,483 from £273,411(2021/22) before investment movements and sale of land benefits. As mentioned above, the sale of land in 2021/22 has provided much needed support during the last 3 years to ensure that the Home remains a going concern.

### **Reserves policy**

Following the sale of the land the Board consider that the present level of funding remains adequate to support the continuation of the Charity's activities now in operation for the medium term, and its financial position remains satisfactory.

The Home has operated at occupancy levels of 90% with vacancies usually being filled within weeks.

The Board are of the opinion that a reasonable level of free reserves would be a sum sufficient to fund six months' expenses estimated to be in the order of £500,000. The Trustees are satisfied that the Home is a going concern.

At 31st March 2023, the net book value of fixed assets amounted to £2,969,603. Movements in fixed assets are shown in note 14 to the financial statements.

At 31st March 2023, funds carried forward amounted to £6,568,562, of which all related to unrestricted funds. £3,500,000 of unrestricted funds has been designated in order to redevelop the 'Old House' at Hillbrook Grange Residential Care Home. The remaining £3,068,562 relates to general unrestricted funds. There were no restricted funds carried forward at 31st March 2023.

### **Investment policy**

The charity will not knowingly invest in securities that do not accord with its principles. If investments that are considered inappropriate are received as legacies, they are sold as soon as practicable and the proceeds are re-invested.

### **Plans for future periods**

#### **Redevelopment of Old House**

Using the proceeds of the land sale amounting to £3.5 million we are planning the demolition of the "Old House" – a Victorian property which is not fit for purpose - and the construction in its place additional rooms, the number of which is yet to be determined as well as allowing for the transfer of a sum to augment the Charity's reserves. The sale of the land to McCarthy & Stone which was completed at the end of June 2021 places Hillbrook in a strong financial position.

### **Risk statement**

The major risks to which the charity is exposed have been identified and reviewed by the trustees; and systems and procedures have been established to manage those risks.

### **Auditor**

Xeinadin Audit Limited have been re-appointed as auditor for the ensuing year.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2023*

---

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

### **Small company provisions**

The report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.



Mr B Bissell  
Trustee

17 October 2023



Mrs P A Leck  
Trustee

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 31 MARCH 2023*

---

The trustees, who are also the directors of Hillbrook Grange Residential Care Home for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

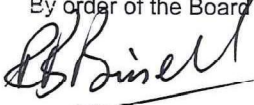
Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board of Trustees



Mr B Bissell  
Trustee



Mrs P A Leck  
Trustee

17 October 2023

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF HILLBROOK GRANGE RESIDENTIAL CARE HOME

---

#### Opinion

We have audited the financial statements of Hillbrook Grange Residential Care Home (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information 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 our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF HILLBROOK GRANGE RESIDENTIAL CARE HOME

---

#### **Matters on which we are required to report by exception**

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

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

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

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **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:

#### ***The extent to which the audit was considered capable of detecting irregularities including fraud***

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our commercial knowledge and experience of the care home sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental, health and safety legislation and requirements of the Care Quality Commission;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF HILLBROOK GRANGE RESIDENTIAL CARE HOME

---

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including CQC, and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity'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 charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Anna Bennett (ACA) (Senior Statutory Auditor)**  
**for and on behalf of Xeinadin Audit Limited**  
**Chartered Accountants**  
**Statutory Auditor**  
Riverside House, Kings Reach Business Park  
Yew Street  
Stockport  
Cheshire  
United Kingdom  
SK4 2HD

31st October 2023

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Current financial year

	Notes	Unrestricted funds 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Total 2022 £
<b><u>Income and endowments from:</u></b>					
Income from donations, legacies and grants	2	730	-	730	86,818
Charitable activities	3	1,490,131	-	1,490,131	1,241,549
Investment income	4	48,935	-	48,935	15,935
Other income	5	23	-	23	50
<b>Total income</b>		<b>1,539,819</b>	<b>-</b>	<b>1,539,819</b>	<b>1,344,352</b>
<b><u>Expenditure on:</u></b>					
Raising funds	6	3,935	-	3,935	3,439
Charitable activities	7	1,695,367	-	1,695,367	1,617,720
<b>Total expenditure</b>		<b>1,699,302</b>	<b>-</b>	<b>1,699,302</b>	<b>1,621,159</b>
Net profit/(loss) on disposal of land		1,396,700	-	1,396,700	1,738,600
Net gains/(losses) on investments		(30,861)	-	(30,861)	36,291
<b>Net incoming resources before transfers</b>		<b>1,206,356</b>	<b>-</b>	<b>1,206,356</b>	<b>1,498,084</b>
Gross transfers between funds		(3,500,000)	3,500,000	-	-
<b>Net movement in funds</b>		<b>(2,293,644)</b>	<b>3,500,000</b>	<b>1,206,356</b>	<b>1,498,084</b>
Fund balances at 1 April 2022		5,362,206	-	5,362,206	3,864,122
<b>Fund balances at 31 March 2023</b>		<b>3,068,562</b>	<b>3,500,000</b>	<b>6,568,562</b>	<b>5,362,206</b>

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Prior financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<b><u>Income and endowments from:</u></b>				
Income from donations, legacies and grants	2	9,929	76,889	86,818
Charitable activities	3	1,241,549	-	1,241,549
Investment income	4	15,935	-	15,935
Other income	5	50	-	50
<b>Total income</b>		<b>1,267,463</b>	<b>76,889</b>	<b>1,344,352</b>
<b><u>Expenditure on:</u></b>				
Raising funds	6	3,439	-	3,439
Charitable activities	7	1,524,677	93,043	1,617,720
<b>Total expenditure</b>		<b>1,528,116</b>	<b>93,043</b>	<b>1,621,159</b>
Net profit/(loss) on disposal of land		1,738,600		1,738,600
Net gains/(losses) on investments		36,291	-	36,291
<b>Net incoming resources before transfers</b>		<b>1,514,238</b>	<b>(16,154)</b>	<b>1,498,084</b>
<b>Net movement in funds</b>		<b>1,514,238</b>	<b>(16,154)</b>	<b>1,498,084</b>
Fund balances at 1 April 2021		3,847,968	16,154	3,864,122
<b>Fund balances at 31 March 2022</b>		<b>5,362,206</b>	<b>-</b>	<b>5,362,206</b>

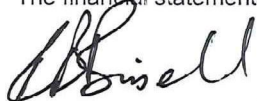
# HILLBROOK GRANGE RESIDENTIAL CARE HOME

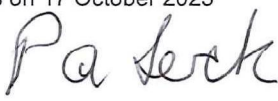
## BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		2,969,603		3,010,634
Investments	15		2,242,561		2,363,335
			<u>5,212,164</u>		<u>5,373,969</u>
<b>Current assets</b>					
Stocks	16	150		150	
Debtors	17	1,493,935		37,135	
Cash at bank and in hand		17,349		41,010	
		<u>1,511,434</u>		<u>78,295</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(155,036)</u>		<u>(90,058)</u>	
Net current assets/(liabilities)			1,356,398		(11,763)
<b>Total assets less current liabilities</b>			<u>6,568,562</u>		<u>5,362,206</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
General unrestricted funds	21	3,068,562		5,362,206	
Designated unrestricted funds		3,500,000		-	
		<u>6,568,562</u>		<u>5,362,206</u>	
Total funds			<u>6,568,562</u>		<u>5,362,206</u>

The financial statements were approved by the Trustees on 17 October 2023

  
Mr E Bissell  
Trustee

  
Mrs P A Leck  
Trustee

Company registration number 07125607

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	24		(1,523,862)		(273,411)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(40,393)		(8,202)	
Proceeds on disposal of tangible fixed assets		-		2,033,000	
Proceeds on disposal of investment property		1,396,700		-	
Purchase of other investments		-		(1,977,060)	
Proceeds on disposal of other investments		94,959		228,430	
Investment income received		48,935		15,935	
<b>Net cash generated from investing activities</b>			1,500,201		292,103
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(23,661)		18,692
Cash and cash equivalents at beginning of year			41,010		22,348
<b>Cash and cash equivalents at end of year</b>			17,349		41,010

The notes on pages 15 to 26 form part of these financial statements.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

---

### 1 Accounting policies

#### Charity information

Hillbrook Grange Residential Care Home is a private company limited by guarantee incorporated in England and Wales. Each of trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. The registered office is Hillbrook Grange, Ack Lane East, Bramhall, Stockport, Cheshire, SK7 2BY, UK.

### 1.1 Accounting convention

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

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 Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### Basis of preparation

Hillbrook Grange Residential Care Home 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 notes.

### 1.2 Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by charity.

The Board consider that the present level of funding remains adequate to support the continuation of the Charity's activities now in operation for the medium term, and its financial position remains satisfactory.

### 1.3 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 the income receivable can be measured reliably.

#### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

#### Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### Investment income

Investment income is accounted for in the period in which the charity is entitled to receipt.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

##### *Raising funds*

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

##### *Charitable activities*

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

##### *Support costs*

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

##### *Governance costs*

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### 1.5 Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Furniture and equipment	10 - 33% reducing balance
Property - Structure	1 - 3 % straight line
Property - Fixed Equipment	5 - 10% straight line

#### 1.6 Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### 1.7 Stocks

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

---

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 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.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 1.12 Retirement benefits

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 1.13 Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### 1.14 Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

### 2 Income from donations, legacies and grants

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2023	2022	2022	2022
	£	£	£	£
Legacies receivable	730	9,929	-	9,929
Government grants	-	-	76,889	76,889
	<u>730</u>	<u>9,929</u>	<u>76,889</u>	<u>86,818</u>

Government grants are those arising from the COVID pandemic.

### 3 Charitable activities

	Charitable Income	Charitable Income
	2023	2022
	£	£
Residential care	<u>1,490,131</u>	<u>1,241,549</u>

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 4 Investment income

Unrestricted funds	Unrestricted funds
--------------------	--------------------

2023 £	2022 £
-----------	-----------

Other income from fixed asset investments

48,935	15,935
--------	--------

### 5 Other income

Unrestricted funds	Unrestricted funds
--------------------	--------------------

2023 £	2022 £
-----------	-----------

Other income

23	50
----	----

### 6 Raising funds

Unrestricted funds	Unrestricted funds
--------------------	--------------------

2023 £	2022 £
-----------	-----------

Investment management;  
Other portfolio management costs

3,935	3,439
<u>3,935</u>	<u>3,439</u>

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 7 Charitable activities

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Staff costs	1,146,982	1,057,792
Depreciation and impairment	81,425	87,971
Purchases	70,266	73,945
Staff training	6,176	4,840
Rent and rates	20,116	19,278
Electricity	37,253	22,589
Gas	58,157	25,386
Repairs and maintenance	106,751	78,499
Advertising	5,520	7,139
Bank charges	2,332	1,585
Travel expenses	395	305
	<u>1,535,373</u>	<u>1,379,329</u>
Share of support costs (see note 8)	129,674	211,504
Share of governance costs (see note 8)	30,320	26,887
	<u>1,695,367</u>	<u>1,617,720</u>
<b>Analysis by fund</b>		
Unrestricted funds	1,695,367	1,524,677
Restricted funds	-	93,043
	<u><u>1,695,367</u></u>	<u><u>1,617,720</u></u>

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Support costs	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Staff costs	-	4,635	4,635	-	3,854	3,854
Establishment cost	18,003	-	18,003	16,953	-	16,953
Office expenses	660	-	660	4,755	-	4,755
Printing, postage and stationery	9,265	-	9,265	5,844	-	5,844
Subscriptions	8,374	-	8,374	8,812	-	8,812
Cleaning	22,195	-	22,195	20,010	-	20,010
Legal and professional costs	71,177	17,585	88,762	155,130	16,036	171,166
Audit fees	-	8,100	8,100	-	6,997	6,997
	<u>129,674</u>	<u>30,320</u>	<u>159,994</u>	<u>211,504</u>	<u>26,887</u>	<u>238,391</u>
Analysed between Charitable activities	<u>129,674</u>	<u>30,320</u>	<u>159,994</u>	<u>211,504</u>	<u>26,887</u>	<u>238,391</u>
<b>9 Net movement in funds</b>				<b>2023</b>		<b>2022</b>
				£		£
Net movement in funds is stated after charging/(crediting)						
Depreciation of owned tangible fixed assets				81,425		87,971
Profit on disposal of land				(1,396,700)		(1,738,600)
				<u>          </u>		<u>          </u>
<b>10 Auditor's remuneration</b>						
<b>Fees payable to the charity's auditor and associates:</b>				<b>2023</b>		<b>2022</b>
				£		£
Audit of the charity's annual accounts				8,100		6,997
				<u>          </u>		<u>          </u>
<b>Non-audit services</b>						
All other non-audit services				15,840		30,548
				<u>          </u>		<u>          </u>

### 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but one of them was reimbursed a total of £Nil travelling expenses (2022- £28 was reimbursed to one trustee).

During the year the charity made the following transactions with trustees:

Mrs Valerie Egan £6,000 (2022 : £2,500) in respect of nominated individual services and not for the work undertaken in her role as a trustee.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Charitable activities	53	49

#### Employment costs

	2023 £	2022 £
Wages and salaries	1,070,404	990,552
Social security costs	61,255	53,520
Pension costs	19,958	17,574
Other staff costs	42	42
	<u>1,151,659</u>	<u>1,061,688</u>

Wages and salaries above includes agency costs of £246,748 (2022 : £203,808)

The total employee benefits of the key management personnel of the charity were £191,829 (2022 : £140,075).

There were no employees whose annual remuneration was more than £60,000.

### 13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

### 14 Tangible fixed assets

	Freehold land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 April 2022	3,348,968	409,308	3,758,276
Additions	-	40,393	40,393
At 31 March 2023	<u>3,348,968</u>	<u>449,701</u>	<u>3,798,669</u>
<b>Depreciation and impairment</b>			
At 1 April 2022	465,984	281,657	747,641
Depreciation charged in the year	51,456	29,969	81,425
At 31 March 2023	<u>517,440</u>	<u>311,626</u>	<u>829,066</u>
<b>Carrying amount</b>			
At 31 March 2023	<u>2,831,528</u>	<u>138,075</u>	<u>2,969,603</u>
At 31 March 2022	<u>2,882,984</u>	<u>127,650</u>	<u>3,010,634</u>

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 15 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>			
At 1 April 2022	2,356,316	7,019	2,363,335
Valuation changes	(25,815)	(4,081)	(29,896)
Disposals	(90,878)	-	(90,878)
At 31 March 2023	<u>2,239,623</u>	<u>2,938</u>	<u>2,242,561</u>
<b>Carrying amount</b>			
At 31 March 2023	<u>2,239,623</u>	<u>2,938</u>	<u>2,242,561</u>
At 31 March 2022	<u>2,356,316</u>	<u>7,019</u>	<u>2,363,335</u>

### 16 Stocks

	2023 £	2022 £
Finished goods and goods for resale	<u>150</u>	<u>150</u>

### 17 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	57,625	12,253
Other debtors	1,396,700	222
Prepayments and accrued income	39,610	24,660
	<u>1,493,935</u>	<u>37,135</u>

Other debtors totalling £1,396,700 relates solely to the proceeds from the land sale which took place in June 2021. These proceeds were received in July 2023, following the sale and occupation of the first retirement property by McCarthy and Stone.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 18 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	64,126	67,946
Other taxation and social security	19,879	12,438
Other creditors	4,850	4,197
Accruals and deferred income	66,181	5,477
	<u>155,036</u>	<u>90,058</u>

### 19 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £19,958 (2022 - £17,574).

### 20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		Balance at 31 March 2023 £
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 1 April 2022 £	Incoming resources £	
General	16,154	76,889	(93,043)	-	-	-
	<u>16,154</u>	<u>76,889</u>	<u>(93,043)</u>	<u>-</u>	<u>-</u>	<u>-</u>

Restricted funds arose from the Stockport Metropolitan Borough Council grants received to support the additional costs arising from the coronavirus pandemic.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 21 Unrestricted funds

The income funds of the charity include the following unrestricted funds:

	Balance at 1 April 2021		Incoming resources		Movement in funds Resources expended		Transfers		Revaluations, gains and losses		Balance at 1 April 2022		Incoming resources		Movement in funds Resources expended		Transfers		Balance at 31 March 2023		
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
General	3,847,968	3,006,063	(1,528,116)	-	-	36,291	5,362,206	2,936,519	(1,730,163)	(3,500,000)	3,068,562										
Designated	-	-	-	-	-	-	-	-	-	3,500,000	3,500,000										
	3,847,968	3,006,063	(1,528,116)	-	-	36,291	5,362,206	2,936,519	(1,730,163)	(1,730,163)	6,568,562										

Designated funds relate solely to the income generated from the sale of land owned by Hillbrook Grange Residential Care Home. These funds have been designated in order to redevelop the 'Old House' at Hillbrook Grange Residential Care Home.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 22 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Total Unrestricted funds 2023 £	Total Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	2,969,603	-	2,969,603	3,010,634	-	3,010,634
Investments	2,242,561	-	2,242,561	2,363,335	-	2,363,335
Current assets/(liabilities)	1,356,398	-	1,356,398	(11,763)	-	(11,763)
	<u>6,568,562</u>	<u>-</u>	<u>6,568,562</u>	<u>5,362,206</u>	<u>-</u>	<u>5,362,206</u>

### 23 Events after the reporting date

In September 2023 Hillbrook Grange Residential Care Home entered into an agreement for architectural services totaling £115,200 payable over the next two years.

### 24 Cash generated from operations

	2023 £	2022 £
Surplus for the year	1,206,356	1,498,084
Adjustments for:		
Investment income recognised in statement of financial activities	(48,935)	(15,935)
Gain on disposal of investment property	(1,396,700)	(1,738,600)
Fair value gains and losses on investments	25,814	(37,555)
Depreciation and impairment of tangible fixed assets	81,425	87,971
Movements in working capital:		
(Increase) in debtors	(1,456,800)	(17,994)
Increase/(decrease) in creditors	64,978	(49,412)
<b>Cash absorbed by operations</b>	<u>(1,523,862)</u>	<u>(273,441)</u>

### 25 Analysis of changes in net funds

The charity had no debt during the year.

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**

England & Wales - Charity number 1146488

---

# Accounts

---

Charity registration number 1146488

Company registration number 07125607 (England and Wales)

**HILLBROOK GRANGE RESIDENTIAL CARE HOME  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

---

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## CONTENTS

Page	
1	Legal and administrative information
2 - 5	Trustees' report
6	Statement of trustees' responsibilities
7 - 10	Independent auditor's report
11 - 12	Statement of financial activities
13	Balance sheet
14	Statement of cash flows
15 - 26	Notes to the financial statements

---

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## LEGAL AND ADMINISTRATIVE INFORMATION

<b>Trustees</b>	Mr B Bissell Mrs P A Leck Miss J W Westbrook Mr J McGahan Mrs S Preece Dr L Taylor Mrs V Egan Mrs E M Wooding	(Appointed 30 April 2021)      (Appointed 1 September 2021) (Appointed 1 August 2021)
<b>Senior Management Team</b>	Ms Kate Nicholson, Business Manager Mrs Rosaleen Charles, Registered Manager	
<b>Charity number</b>	1146488	
<b>Company number</b>	07125607	
<b>Registered office</b>	Hillbrook Grange Ack Lane East Bramhall Stockport Cheshire UK SK7 2BY	
<b>Auditor</b>	Xeinadin Audit Limited 8th Floor Becket House 36 Old Jewry London EC2R 8DD	
<b>Bankers</b>	Co-operative Bank St Pauls House 10 Warwick Lane London EC4M 7BP	
<b>Investment advisors</b>	Investec Wealth and Investment Limited 30 Gresham Street London EC2V 7QN	

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors, present their report and the financial statements of the charity for the year ended 31 March 2022.

### REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and their professional advisers on page 1 of the financial statements.

### The Trustees

Mr Robert Bruce Bissell (Chairman) (appointed 30th April 2021)  
Mrs Patricia A Leck

Ms Julia M Shaw (Company Secretary) (resigned 9th April 2021)

Miss June W Westbrooke

Mr John McGahan

Mrs Susan Preece (Company Secretary)

Dr Lesley Taylor

Mrs Elizabeth M Wooding (appointed 1st August 2021)

Mrs Valerie Egan (appointed 1st September 2021)

### Structure, governance and management

#### Governing document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 14th October 2011. The charity is run by its Board, which consists of four Principal Officers and no more than 14 other members, with power to co-opt as necessary no more than two extra members and to fill vacancies at any time prior to election at the next Annual General Meeting.

The period of membership of those filling such vacancies shall be the outstanding period of the member replaced. The four Principal Officers are Chairman, Vice Chairman, Secretary and Treasurer.

#### Recruitment and appointment of trustees

The Board shall be elected for three years, and one-third of the Board shall retire each year in rotation. Retiring members shall be eligible for re-election by the remaining Board members at the AGM each year. Following election at the AGM, the full Board shall appoint from their number the four Principal Officers who shall hold office for one year but on retirement, shall be eligible for re-election for a maximum of four years. The Board may also appoint such other officers as they deem appropriate.

#### Induction and training

The charity does not possess a formal policy for the training and induction of trustees.

#### Organisational structure

The Board is responsible for the overall running of Hillbrook Grange Residential Care Home. The Board is required to meet at least six times per annum, including the Annual General Meeting.  
Day to day operational control is vested with the Home's Registered Manager who is supervised by the Chairman and the Vice Chairman.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### Objectives and activities

The Constitution defines the objects of the Charity as:

- a) to promote and assist the general good of elderly people principally, but not exclusively, in the district of Bramhall and Woodford who are in need, by providing specially designed or adapted accommodation or housing and services or facilities calculated to meet the needs of such persons;
- b) to assist statutory authorities and other voluntary organisations engaged in providing facilities for physical improvement and furthering health; or in pursuing any objects which now are or subsequently may be deemed by law to be charitable;
- c) to provide and manage the residential care home known as "Hillbrook Grange" in Ack Lane, Bramhall or together with any other facilities for the elderly as may be deemed by the directors to be necessary to attain the objects of the charity;
- d) to promote and advance all such purposes as are recognised from time to time by the laws of England and Wales to be charitable. The Board considers that the objects are met by the principal activity, which is the provision of residential accommodation for the elderly.

### Public benefit

In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The Trust relies on the income from fees and charges to cover its operating costs. In setting the level of fees, the trustees give due consideration to the need to ensure that the residential accommodation of Hillbrook Grange is accessible to elderly people principally though not exclusively in the district of Bramhall and Woodford.

### Achievements and performance

The year started with Hillbrook Grange under threat of closure as the CQC had issued a Notice of Decision to withdraw registration. The chair and a number of board members had resigned and the home was without a registered manager or nominated individual. Care consultants BKRCC, experts in turning around care homes in trouble, were appointed in April 21 to run the home while the management team and board were rebuilt. It was an expensive but necessary action.

I was appointed on 30<sup>th</sup> April 2021 and further board members with substantial care management added in the next few months. A new registered manager was appointed in late May and a deputy registered manager recruited later in the year. The roles and structure of the managers were clarified to give a strong clear structure. A number of senior carers have left though the year but we believe their replacements have strengthened the team. However, maintaining staffing numbers has proved an ongoing challenge as is indeed being experienced by the whole care sector. This has required us to employ more agency staff than we had hoped at considerably greater expense. We are fortunate that many are regularly employed by Hillbrook such that they know the residents.

The CQC re-inspected in July 2021, the outcome being a much improved rating of Requires Improvement from the previous inspection of Inadequate, the main issue being control of medicines. Additionally, the management team had only been in place 6 weeks insufficient time to demonstrate sustained improvement. A comprehensive action plan was initiated to raise the standard of care.

Many of the processes and systems were improved and, with the help of a new HR provider appointed at the end of September, the employee policies were revised and a new handbook issued. An activities co-ordinator was appointed and maintenance put on a stronger footing with the appointment of a maintenance manager and assistant and the retention of a maintenance company which provides tradesmen.

The home ran at a substantial loss for the year due to the cost of the consultants, the extensive use of agency staff and the general poor control of expenditure. Prices were largely unchanged while the new team was established and care improved. A 10% increase has now been applied to residency fees. The management team has introduced a number of controls on expenditure which have given significant benefit. This has been achieved without a loss of the quality of care. Indeed the quality of care is much improved from the quality of the dining experience to the range of activities on offer.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The land sale was completed in June 21 and construction by McCarthy and Stone (McC&S) commenced in the autumn. This has been achieved without significant disruption to the home. Relationships are good with McC&S and the construction staff. The agreed sale price will be paid in 2 instalments. The first of £2-1m has substantially improved the liquidity of our balance sheet. The second will follow of the first sale of one of the 40 apartments for senior living. It is planned to use the sale proceeds to replace the Old House with a purpose built unit to expand our offer to the community.

Hillbrook Grange has been through a turbulent and difficult period but I am confident for the future with a new team in place supported with an enthusiastic board of trustees. There is still much planned by the team to further improve the care experience and there are challenges to face not the least being the soaring cost of energy. These will be overcome with the same commitment and dedication displayed in the past year.

### Investment review

During the year under review the portfolio produced a yield of 1.04% (2021: 2.92%).

Some 5 per cent of the portfolio comprises low risk investment in fixed interest bonds. 79 percent of the portfolio comprises cash invested in money market instruments. The balance comprises medium risk investment in ethical concerns based predominantly in UK, Europe and North America, with more limited exposure to companies in the Far East, the emerging economies, property and AIM.

### Financial review

As detailed in the report above 2021/22 has been a challenging year, income levels have been supported by government grants £76,889 (2021: £85,717) however, the government support has not been sufficient to cover increased costs leading to an operational deficit before investment movements and sale of land movements of £276,807 (2021: deficit £88,552). As mentioned above, the sale of land in 2021/22 has provided much needed support during the ongoing pandemic to ensure that the Home remains a going concern.

### Reserves policy

Following the sale of the land the Board consider that the present level of funding remains adequate to support the continuation of the Charity's activities now in operation for the medium term, and its financial position remains satisfactory.

As lockdown restrictions eased and new residents were admitted, the Home has since returned to occupancy level of 90%.

In spite of the financial volatility caused by the Covid-19 pandemic, the Board are of the opinion that a reasonable level of free reserves would be a sum sufficient to fund six months' expenses estimated to be in the order of £500,000. The Trustees are satisfied that the Home is a going concern.

At 31st March 2022, the net book value of fixed assets amounted to £3,010,634. Movements in fixed assets are shown in note 14 to the financial statements.

At 31st March 2022, funds carried forward amounted to £5,362,206, of which all related to unrestricted funds. There were no restricted funds carried forward at 31st March 2022.

### Investment policy

The charity will not knowingly invest in securities that do not accord with its principles. If investments that are considered inappropriate are received as legacies, they are sold as soon as practicable and the proceeds are re-invested.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### Plans for future periods

#### Land sale

During 2016/17, a small parcel of land was designated for sale. An agent was appointed to manage the sales process and advise the Board in accordance with Charities law. Two formal bids were received and following interview of the bidding parties, Messers. McCarthy & Stone were declared the preferred bidder.

If their proposed development is successful at Planning, the funds will be released on completion. The proceeds of sale amounting to £3.5 million should cover the cost of demolishing the "Old House" - a Victorian property which is not fit for purpose - and the construction in its place of a dedicated, self-contained, 20 bed dementia unit; as well as allowing for the transfer of a significant sum to augment the Charity's reserves. The sale of the land to McCarthy & Stone was completed at the end of June which places Hillbrook in a strong financial position.

### Risk statement

The major risks to which the charity is exposed have been identified and reviewed by the trustees; and systems and procedures have been established to manage those risks.

### Auditor

Hallidays have been re-appointed as auditor for the ensuing year.

### Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

### Small company provisions

The report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.



Mr B Bissell  
Trustee

30 September 2022

Mrs P A Leck  
Trustee



**HILLBROOK GRANGE RESIDENTIAL CARE HOME**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 MARCH 2022**

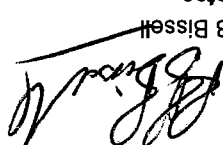
The trustees, who are also the directors of Hillbrook Grange Residential Care Home for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

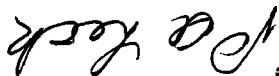
Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board of Trustees  
  
 Mr B Bissell  
 Trustee  
 30 September 2022

Mrs P A Leck  
 Trustee  


# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF HILLBROOK GRANGE RESIDENTIAL CARE HOME

---

#### Opinion

We have audited the financial statements of Hillbrook Grange Residential Care Home (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information 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.

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE TRUSTEES OF HILLBROOK GRANGE RESIDENTIAL CARE HOME**

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:  
- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and  
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**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.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF HILLBROOK GRANGE RESIDENTIAL CARE HOME

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:

#### ***The extent to which the audit was considered capable of detecting irregularities including fraud***

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our commercial knowledge and experience of the care home sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental, health and safety legislation and requirements of the Care Quality Commission;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including CQC, and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE TRUSTEES OF HILLBROOK GRANGE RESIDENTIAL CARE HOME**

**Use of our report**  
This report is made solely to the charity'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 charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Anna Bennett (ACA) (Senior Statutory Auditor)**  
for and on behalf of Xeinadin Audit Limited

**Chartered Accountants**  
**Statutory Auditor**

8th Floor Beckett House  
36 Old Jewry

London  
EC2R 8DD

11-10-22

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<b><u>Income and endowments from:</u></b>					
Income from donations, legacies and grants	2	9,929	76,889	86,818	89,131
Charitable activities	3	1,241,549	-	1,241,549	1,161,343
Investment income	4	15,935	-	15,935	16,629
Other income	5	50	-	50	500
<b>Total income</b>		<b>1,267,463</b>	<b>76,889</b>	<b>1,344,352</b>	<b>1,267,603</b>
<b><u>Expenditure on:</u></b>					
Raising funds	6	3,439	-	3,439	4,803
Charitable activities	7	1,524,677	93,043	1,617,720	1,351,352
<b>Total expenditure</b>		<b>1,528,116</b>	<b>93,043</b>	<b>1,621,159</b>	<b>1,356,155</b>
Net profit/(loss) on disposal of land		1,738,600		1,738,600	-
Net gains/(losses) on investments		36,291	-	36,291	77,291
<b>Net movement in funds</b>		<b>1,514,238</b>	<b>(16,154)</b>	<b>1,498,084</b>	<b>(11,261)</b>
Fund balances at 1 April 2021		3,847,968	16,154	3,864,122	3,875,383
<b>Fund balances at 31 March 2022</b>		<b>5,362,206</b>	<b>-</b>	<b>5,362,206</b>	<b>3,864,122</b>

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.



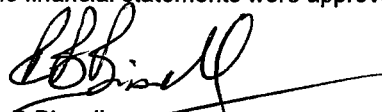
# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		3,010,634		3,384,803
Investments	15		2,363,335		577,150
			<u>5,373,969</u>		<u>3,961,953</u>
<b>Current assets</b>					
Stocks	16	150		150	
Debtors	17	37,135		19,141	
Cash at bank and in hand		41,010		22,348	
			<u>78,295</u>	<u>41,639</u>	
<b>Creditors: amounts falling due within one year</b>	18	(90,058)		(139,470)	
Net current liabilities			(11,763)		(97,831)
<b>Total assets less current liabilities</b>			<u>5,362,206</u>		<u>3,864,122</u>
<b>Income funds</b>					
Restricted funds	20		-		16,154
<u>Unrestricted funds</u>					
General unrestricted funds	21	5,362,206		3,847,968	
			<u>5,362,206</u>		<u>3,847,968</u>
Total funds			<u>5,362,206</u>		<u>3,864,122</u>

The financial statements were approved by the Trustees on 30 September 2022

  
Mr B Bissell  
Trustee

Mrs P A Leck  
Trustee  


Company registration number 07125607

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021	
	£	£	Notes
Cash flows from operating activities			
Cash (absorbed by)/generated from operations	(273,441)	68,501	24
Investing activities			
Purchase of tangible fixed assets	(8,202)	(73,537)	
Proceeds on disposal of tangible fixed assets	2,033,000	-	
Purchase of investments	(1,977,060)	(121,126)	
Proceeds on disposal of investments	228,430	107,204	
Investment income received	15,935	16,629	
Net cash generated from/(used in) investing activities	292,103	(70,830)	
Net cash used in financing activities	-	-	
Net increase/(decrease) in cash and cash equivalents	18,662	(2,329)	
Cash and cash equivalents at beginning of year	22,348	24,677	
Cash and cash equivalents at end of year	41,010	22,348	

The notes on pages 15 to 26 form part of these financial statements.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

#### Charity information

Hillbrook Grange Residential Care Home is a private company limited by guarantee incorporated in England and Wales. Each of trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. The registered office is Hillbrook Grange, Ack Lane East, Bramhall, Stockport, Cheshire, SK7 2BY, UK.

#### 1.1 Accounting convention

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

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 Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### Basis of preparation

Hillbrook Grange Residential Care Home 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 notes.

#### 1.2 Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by charity.

The Board consider that the present level of funding remains adequate to support the continuation of the Charity's activities now in operation for the medium term, and its financial position remains satisfactory.

#### 1.3 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 the income receivable can be measured reliably.

##### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

##### Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

##### Investment income

Investment income is accounted for in the period in which the charity is entitled to receipt.

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**1 Accounting policies (Continued)**

**1.4 Expenditure**  
 Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

**Raising funds**  
 These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

**Charitable activities**  
 Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**Support costs**  
 Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

**Governance costs**  
 These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

**1.5 Tangible fixed assets**  
 Individual fixed assets costing £100,000 or more are initially recorded at cost. Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Furniture and equipment	10 - 33% reducing balance
Property - Structure	1 - 3 % straight line
Property - Fixed Equipment	5 - 10% straight line

**1.6 Fixed asset investments**  
 Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

**1.7 Stocks**  
 Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 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.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies (Continued)

#### 1.12 Retirement benefits

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 1.13 Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### 1.14 Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

### 2 Income from donations, legacies and grants

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Legacies and donations	9,929	-	9,929	3,414	-	3,414
Government grants	-	76,889	76,889	-	85,717	85,717
	9,929	76,889	86,818	3,414	85,717	89,131

Government grants are those arising from the COVID pandemic.

### 3 Charitable activities

	Charitable income	Charitable income
	2022	2021
	£	£
Residential care	1,241,549	1,161,343

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

<b>4</b>	<b>Investment income</b>	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Other income from fixed asset investments	15,935	16,629
		<u>          </u>	<u>          </u>
<b>5</b>	<b>Other income</b>	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Other income	50	500
		<u>          </u>	<u>          </u>
<b>6</b>	<b>Raising funds</b>	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Investment management; Other portfolio management costs	3,439	4,803
		<u>          </u>	<u>          </u>
		<b>3,439</b>	<b>4,803</b>
		<u>          </u>	<u>          </u>

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**7 Charitable activities**

	2022	2021
Staff costs	1,057,792	898,832
Depreciation and impairment	87,971	83,397
Purchases	73,945	83,550
Staff training	4,840	7,895
Rent and rates	19,278	21,039
Electricity	22,589	12,835
Light, heat and power	25,386	22,247
Miscellaneous home expenses	-	4,545
Repairs and maintenance	78,499	104,087
Residents welfare	-	460
Advertising	7,139	6,133
Bank charges	1,585	1,593
Travel expenses	305	-
Share of support costs (see note 8)	211,504	78,849
Share of governance costs (see note 8)	26,887	25,890
<b>Analysis by fund</b>		
Unrestricted funds	1,524,677	1,281,789
Restricted funds	93,043	69,563
	<u>1,617,720</u>	<u>1,351,352</u>
	<u>1,617,720</u>	<u>1,351,352</u>
	1,379,329	1,246,613
	<u>1,379,329</u>	<u>1,246,613</u>
	£	£
	Charitable Expenditure	Charitable Expenditure

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8	Support costs	Support costs	Governance costs	2022	Support costs	Governance costs	2021
		£	£	£	£	£	£
	Staff costs	-	3,854	3,854	-	4,952	4,952
	Establishment cost	16,953	-	16,953	10,253	-	10,253
	Office expenses	4,755	-	4,755	4,581	-	4,581
	Printing, postage and stationery	5,844	-	5,844	4,613	-	4,613
	Subscriptions	8,812	-	8,812	7,557	-	7,557
	Donations	-	-	-	760	-	760
	Cleaning	20,010	-	20,010	24,725	-	24,725
	Legal and professional costs	155,130	16,036	171,166	26,360	13,941	40,301
	Audit fees	-	6,997	6,997	-	6,997	6,997
		<u>211,504</u>	<u>26,887</u>	<u>238,391</u>	<u>78,849</u>	<u>25,890</u>	<u>104,739</u>
	Analysed between Charitable activities	<u>211,504</u>	<u>26,887</u>	<u>238,391</u>	<u>78,849</u>	<u>25,890</u>	<u>104,739</u>
9	<b>Net movement in funds</b>				<b>2022</b>		<b>2021</b>
					£		£
	Net movement in funds is stated after charging/(crediting)						
	Depreciation of owned tangible fixed assets				87,971		83,397
	Profit on disposal of land				(1,738,600)		-
10	<b>Auditor's remuneration</b>						
	<b>Fees payable to the charity's auditor and associates:</b>				<b>2022</b>		<b>2021</b>
					£		£
	Audit of the charity's annual accounts				6,997		6,997
	<b>Non-audit services</b>						
	All other non-audit services				30,548		22,635
11	<b>Trustees</b>						
	None of the trustees (or any persons connected with them) received any remuneration during the year, but one of them was reimbursed a total of £28 travelling expenses (2021- none were reimbursed £Nil).						
	During the year the charity made the following transactions with trustees: Mrs Valerie Egan (appointed as a trustee on 1st September 2021) received £2,500 (2021:£Nil) in respect of nominated individual services and not for the work undertaken in her role as a trustee.						

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**12 Employees**

The average monthly number of employees during the year was:

	2022	2021
Charitable activities	49	41
<b>Employment costs</b>	<b>£</b>	<b>£</b>
Wages and salaries	990,552	834,076
Social security costs	53,520	52,462
Pension costs	17,574	17,204
Other staff costs	42	42
	<u>1,061,688</u>	<u>903,784</u>

Vages and salaries above includes agency costs of £203,808 (2021: £113,661)

The total employee benefits of the key management personnel of the charity were £70,797 (2021 - £77,977).

There were no employees whose annual remuneration was more than £60,000.

**13 Taxation**

The charity is a registered charity and is therefore exempt from taxation.

**14 Tangible fixed assets**

	Freehold land and buildings	Furniture and equipment	Total
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2021	3,643,368	401,105	4,044,473
Additions	-	8,202	8,202
Disposals	(294,400)	-	(294,400)
At 31 March 2022	3,348,968	409,307	3,758,275
<b>Depreciation and impairment</b>			
At 1 April 2021	411,255	248,415	659,670
Depreciation charged in the year	54,729	33,242	87,971
At 31 March 2022	465,984	281,657	747,641
<b>Carrying amount</b>			
At 31 March 2022	2,882,984	127,650	3,010,634
At 31 March 2021	3,232,113	152,690	3,384,803

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 15 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>			
At 1 April 2021	571,531	5,619	577,150
Additions	1,977,060		1,977,060
Valuation changes	36,155	1,400	37,555
Disposals	(228,430)		(228,430)
At 31 March 2022	<u>2,356,316</u>	<u>7,019</u>	<u>2,363,335</u>
<b>Carrying amount</b>			
At 31 March 2022	<u>2,356,316</u>	<u>7,019</u>	<u>2,363,335</u>
At 31 March 2021	<u>571,531</u>	<u>5,619</u>	<u>577,150</u>

### 16 Stocks

	2022 £	2021 £
Finished goods and goods for resale	150	150

### 17 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	12,253	10,532
Other debtors	222	223
Prepayments and accrued income	24,660	8,386
	<u>37,135</u>	<u>19,141</u>

### 18 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	67,946	20,467
Other taxation and social security	12,438	17,234
Other creditors	4,197	18,388
Accruals and deferred income	5,477	83,381
	<u>90,058</u>	<u>139,470</u>

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**19 Retirement benefit schemes**

**Defined contribution pension schemes**  
The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £17,574 (2021 - £17,204).

# HILLBROOK GRANGE RESIDENTIAL CARE HOME

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020		Movement in funds		Balance at 1 April 2021		Movement in funds		Balance at 31 March 2022	
	£	£	Incoming resources	Resources expended	£	£	Incoming resources	Resources expended	£	£
General	-		85,717	(69,563)	16,154		76,889	(93,043)		-

Restricted funds arose from the Stockport Metropolitan Borough Council grants received to support the additional costs arising from the coronavirus pandemic.

### 21 Unrestricted funds

The income funds of the charity include the following unrestricted funds:

	Balance at 1 April 2020		Movement in funds		Balance at 1 April 2021		Movement in funds		Balance at 31 March 2022	
	£	£	Incoming resources	Resources expended	£	£	Incoming resources	Revaluations, gains and losses	Resources expended	Revaluations, gains and losses
General	3,875,383		1,181,886	(1,286,592)	77,291	3,847,968	3,006,063	(1,528,116)	36,291	5,362,206
	3,875,383		1,181,886	(1,286,592)	77,291	3,847,968	3,006,063	(1,528,116)	36,291	5,362,206

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

22 Analysis of net assets between funds	£	£	£	£	£
Unrestricted funds	2022	2022	2021	2021	2021
Restricted funds	2022	2022	2021	2021	2021
Total	2022	2022	2021	2021	2021
Fund balances at 31 March 2022 are represented by:					
Tangible assets	3,010,634	3,010,634	3,368,649	16,154	3,384,803
Investments	2,363,335	2,363,335	577,150	-	577,150
Current assets/(liabilities)	(11,763)	(11,763)	(97,831)	-	(97,831)
	5,362,206	5,362,206	3,847,968	16,154	3,864,122
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-

23 Non adjusting events after the financial period

A section of land owned by Hillbrook Grange Residential Care Home has been sold subject to receipt of planning consent for £3.5 million. A non refundable deposit of £10,000 was received in respect of the land sale in March 2018. Planning consent was awarded on 1st April 2021 and the land sale completed in June 2021.

During the year 29.44% of land has been sold and £2,103,300 has been received. The receipt of the remaining amount of £1,396,700 is conditional upon the sale of the first retirement property by McCarthy and Stone and has therefore not been recognised within income.

24 Cash generated from operations	£	£
2022	2022	2021
Surplus/(deficit) for the year	1,498,084	(11,261)
Adjustments for:		
Investment income recognised in statement of financial activities	(15,935)	(16,629)
Gain on disposal of investment property	(1,738,600)	-
Fair value gains and losses on investments	(37,555)	(78,815)
Depreciation and impairment of tangible fixed assets	87,971	83,397
Movements in working capital:		
(Increase) in debtors	(17,994)	(10,763)
(Decrease)/increase in creditors	(49,412)	102,572
Cash (absorbed by)/generated from operations	(273,441)	68,501

25 Analysis of changes in net funds

The charity had no debt during the year.

**HILLBROOK GRANGE RESIDENTIAL CARE HOME**

England & Wales - Charity number 1146488

---

# Accounts

---

Company registration number: 07125607

Charity registration number: 1146488

# Hillbrook Grange Residential Care Home

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

## Hillbrook Grange Residential Care Home

### Contents

Reference and Administrative Details	1
Trustees Report	2 to 6
Statement of Trustees' Responsibilities	7
Independent Auditors' Report	8 to 11
Statement of Financial Activities	12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16 to 30

## Hillbrook Grange Residential Care Home

### Reference and Administrative Details

<b>Trustees</b>	Mr Robert Bruce Bissell (Appointed 30th April 2021) Mrs Patricia Leck Miss June Westbrook Mr John McGahan (Appointed 22nd September 2020) Mrs Susan Preece (Appointed 2nd February 2021) Dr Lesley Taylor (Appointed 16th February 2021) Mr Gavin Ferguson (Resigned 16th October 2020) Mr Mark Tattersall (Resigned 22nd December 2020) Ms Julia Shaw (Resigned 9th April 2021) Dr Harry Hill (Resigned 29th March 2021)
<b>Secretary</b>	Ms Julia Shaw (Resigned 25th February 2021)
<b>Senior Management Team</b>	Ms Kate Nicholson, Business Manager Mrs Sandra Seymour (Resigned 10th February 2021), Registered Manager
<b>Principal Office</b>	Hillbrook Grange Residential Care Home Ack Lane East Bramhall Stockport SK7 2BY  The charity is incorporated in England and Wales
<b>Company Registration Number</b>	07125607
<b>Charity Registration Number</b>	1146488
<b>Auditor</b>	Hallidays Group Limited Statutory Auditor Riverside House Kings Reach Business Park Yew Street Stockport SK4 2HD

## **Hillbrook Grange Residential Care Home**

### **Trustees' Report (Including Strategic Report)**

The trustees, who are also the directors, present their report and the financial statements of the charity for the year ended 31<sup>st</sup> March 2021.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and administrative details are shown in the schedule of members of the board and their professional advisers on page 1 of the financial statements

#### **THE TRUSTEES**

Mr Robert Bruce Bissell (Chairman) (appointed 30<sup>th</sup> April 2021)

Mr Gavin Ferguson (Vice Chairman 1<sup>st</sup> April – 15<sup>th</sup> September) (resigned 16<sup>th</sup> October 2020)

Dr Harry F Hill (Chairman 1<sup>st</sup> April – 15<sup>th</sup> September, 4<sup>th</sup> January – 29<sup>th</sup> March) (resigned 29<sup>th</sup> March 2021)

Mrs Patricia A Leck

Ms Julia M Shaw (Company Secretary) (resigned 9<sup>th</sup> April 2021)

Mr Mark A Tattersall (Treasurer 1<sup>st</sup> April – 15<sup>th</sup> September, Chair 15<sup>th</sup> September – 22<sup>nd</sup> December) (resigned 22<sup>nd</sup> December 2020)

Miss June W Westbrook

Mr John McGahan (appointed 22<sup>nd</sup> September 2020)

Mrs Susan Preece (appointed 2<sup>nd</sup> February 2021)

Dr Lesley Taylor (appointed 16<sup>th</sup> February 2021)

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is governed by its Memorandum and Articles of Association dated 14<sup>th</sup> October 2011. The charity is run by its Board, which consists of four Principal Officers and no more than 14 other members, with power to co-opt as necessary no more than two extra members and to fill vacancies at any time prior to election at the next Annual General Meeting.

The period of membership of those filling such vacancies shall be the outstanding period of the member replaced. The four Principal Officers are Chairman, Vice Chairman, Secretary, and Treasurer.

##### **Recruitment and appointment of trustees**

The Board shall be elected for three years, and one-third of the Board shall retire each year in rotation. Retiring members shall be eligible for re-election by the remaining Board members at the AGM each year. Following election at the AGM, the full Board shall appoint from their number the four Principal Officers who shall hold office for one year but, on retirement, shall be eligible for re-election for a maximum of four years. The Board may also appoint such other officers as they deem appropriate.

##### **Induction and training**

The charity does not possess a formal policy for the training and induction of trustees.

## **Hillbrook Grange Residential Care Home**

### **Trustees' Report (Including Strategic Report)**

#### **Organisational structure**

The Board is responsible for the overall running of Hillbrook Grange Residential Care Home. The Board is required to meet at least six times per annum, including the Annual General Meeting.

Day to day operational control is vested with the Home's Registered Manager who is supervised by the Chairman and the Vice Chairman.

#### **OBJECTIVES AND ACTIVITIES**

The Constitution defines the objects of the Charity as:

- a) to promote and assist the general good of elderly people principally, but not exclusively, in the district of Bramhall and Woodford who are in need, by providing specially designed or adapted accommodation or housing, and services or facilities calculated to meet the needs of such persons;
- b) to assist statutory authorities and other voluntary organisations engaged in providing facilities for physical improvement and furthering health; or in pursuing any objects which now are or subsequently may be deemed by law to be charitable;
- c) to provide and manage the residential care home known as "Hillbrook Grange" in Ack Lane, Bramhall or together with any other facilities for the elderly as may be deemed by the directors to be necessary to attain the objects of the charity;
- d) to promote and advance all such purposes as are recognised from time to time by the laws of England and Wales to be charitable. The Board considers that the objects are met by the principal activity, which is the provision of residential accommodation for the elderly.

#### **PUBLIC BENEFIT**

In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The Trust relies on the income from fees and charges to cover its operating costs. In setting the level of fees, the trustees give due consideration to the need to ensure that the residential accommodation of Hillbrook Grange is accessible to elderly people principally though not exclusively in the district of Bramhall and Woodford.

#### **ACHIEVEMENTS AND PERFORMANCE**

This past year has proven to be a very challenging and worrying time for Hillbrook Grange. Not only did Covid-19 present the organisation with a great challenge, but it also put the Trustees in a difficult situation as lockdown required some to isolate which resulted in their visits being reduced significantly. Hillbrook Grange lost 7 residents last year between April 20 and May 20 due to Covid-19. We lost another 3 residents in August, September, and December 2020, due to natural causes rather than Covid-19. Significant measures were taken to combat the spread of the virus by introducing new procedures and equipment within the home and strict controls for staff and visitors entering the home. Since the first outbreak of Covid-19 infection at Hillbrook there has been no further incidences although vigilance is still necessary given the high disease pressure in the community.

## Hillbrook Grange Residential Care Home

### Trustees' Report (Including Strategic Report)

At the AGM on 15th September Mr. M Tattershill was appointed Chairman as Dr. Hill stepped down having served the maximum permitted 4 years. Dr Hill was appointed Vice Chairman. On October 16th, 2020, the general manager and trustee director, Mr G. Ferguson, tendered his resignation to the chairman and the board.

The CQC made the first of three visits on December 9th, 2020, continuing with their inspection on the 12th December. From their findings, they issued a 48-hour notice to produce an action plan that would be implemented immediately due to the serious safety and concerns over medication. The CQC then returned on the 12th January 2021, for a further inspection and to ascertain if the service had taken adequate action to ensure the safety of our residents in regards to the issue of medication.. The CQC were not satisfied that sufficient remedial action had been taken and, as a consequence, placed the home into special measures and issued a Notice of Decision to withdraw registration.

In December 2020 the registered manager was suspended from duty pending investigation and subsequently resigned on February 10th, 2021. The CQC also served the registered manager with a notice to withdraw her registration as a registered manager, and this was successful.

On December 22<sup>nd</sup> the resignation of the Chairman of the board Mr. Tattershill was received therefore the vice chair Dr. Hill was re-appointed as chairman.

To strengthen the board we gained new board members during January 2021 and February 2021. And this proved invaluable due to their vocation and experience.

In February 2021, an interim registered manager was recruited to ensure implementation of the recovery action plan but she quickly was found to be unsatisfactory and her contract was terminated after 6 weeks. The board made the decision to appoint a firm of turn-round consultants who were experts in the dealing with the situation which we faced.

McCarthy & Stone appealed the council's decision to reject their planning application to build 40 retirement living apartments of land they had offered to buy from Hillbrook Grange. An appeal hearing was held on 17th March and subsequently a judgement was given in McCarthy & Stone's favour. Negotiations have been resumed to finalise the sale of the land with a completion date target of end June 21.

On March 29th Dr. Hill resigned as Chairman for the reason of ill-health leaving the post of Chair unoccupied as none of the remaining trustees wished to take the position.

I feel it important that I comment on the 5 months since the end of the reporting period as there has been significant progress.

Care consultants from BKRCC took over temporary management of the home from the start of April, with the objective of turning the home around and remove threat of closure. It was an expensive but necessary action. Staffing levels were increased using agency staff also at considerable expense.

I was approached by the trustees who asked that I return to the board having resigned some 3 years before. I attended a board meeting on 30th April and was appointed chair with immediate effect. A new registered manager has since been appointed and two further members have joined the board all with significant care home management experience at the senior level. Importantly the new board members have significant governance and audit experience. New staff have been recruited.

The CQC carried out an announced inspection from 5th to 7th July the result of which was a lifting of the special measures rating and the Notice of Decision to withdraw registration. The home was rated Requires Improvement largely because the new team had been in position only 6 weeks. The rating is being challenged on the grounds that, based on the CQC narrative in the report, the rating should be Good. The support of BKRCC will cease at the end of September.

The sale of the land to McCarthy & Stone was completed at the end of June which places Hillbrook in a strong financial position. However, Residents' fees remain the principal ongoing source of funds for the charity. With the new team in place I am confident that Hillbrook will resume its place in the community and expand its service using the funds received from the sale of land.

## **Hillbrook Grange Residential Care Home**

### **Trustees' Report (Including Strategic Report)**

#### **INVESTMENT REVIEW**

During the year under review the portfolio produced a yield of 2.92% (2020: 4.30%).

Some 20 per cent of the portfolio comprises low risk investment in fixed interest bonds. The balance comprises medium risk investment in ethical concerns based predominantly in UK, Europe and North America; with more limited exposure to companies in the Far East, the emerging economies, property and AIM.

#### **FINANCIAL REVIEW**

As detailed in the report above 2020/21 has been a challenging year, income levels have been supported by government grants £1,267,603 (2020: £1,244,134) however, the government support has not been sufficient to cover increased costs leading to an operational deficit before investment movements of £88,552 (2020: surplus £25,294). As mentioned below, the sale of land in 2021/22 will provide much needed support during the ongoing pandemic to ensure that the Home remains a going concern.

#### **Reserves policy**

Following the sale of the land the Board consider that the present level of funding remains adequate to support the continuation of the Charity's activities now in operation for the medium term, and its financial position remains satisfactory.

As lockdown restrictions eased and new residents were admitted, the Home has since returned to occupancy levels of 90%.

In spite of the financial volatility caused by the Covid-19 pandemic, the Board are of the opinion that a reasonable level of free reserves would be a sum sufficient to fund six months' expenses estimated to be in the order of £500,000. The Trustees are satisfied that the Home is a going concern.

#### **Investment policy**

The charity will not knowingly invest in securities that do not accord with its principles. If investments that are considered inappropriate are received as legacies, they are sold as soon as practicable and the proceeds are re-invested.

#### **PLANS FOR FUTURE PERIODS**

##### **Land sale**

During 2016/17, a small parcel of land was designated for sale. An agent was appointed to manage the sales process and advise the Board in accordance with Charities law. Two formal bids were received and, following interview of the bidding parties, Messrs. McCarthy & Stone were declared the preferred bidder.

If their proposed development is successful at Planning, the funds will be released on completion. The proceeds of sale amounting to £3.5 million should cover the cost of demolishing the "Old House" – a Victorian property which is not fit for purpose - and the construction in its place of a dedicated, self-contained, 20bed dementia unit; as well as allowing for the transfer of a significant sum to augment the Charity's reserves. The sale of the land to McCarthy & Stone was completed at the end of June which places Hillbrook in a strong financial position.

**Hillbrook Grange Residential Care Home**  
**Trustees' Report (Including Strategic Report)**

**RISK STATEMENT**

The major risks to which the charity is exposed have been identified and reviewed by the trustees; and systems and procedures have been established to manage those risks.

**AUDITOR**

Hallidays have been re-appointed as auditor for the ensuing year.

**Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

**Small company provisions**

The report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

Approved by the Board on 30<sup>th</sup> September 2021 and signed on its behalf by:



Mr Robert Bruce Bissell  
Chair of Trustees

## Hillbrook Grange Residential Care Home

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Hillbrook Grange Residential Care Home for the purposes of company law) are responsible for preparing the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees of the charity on 30 September 2021 and signed on its behalf by:



Mr Robert Bruce Bissell (Appointed 30th April 2021)  
Trustee



Mrs Patricia Leck  
Trustee

## Hillbrook Grange Residential Care Home

### Independent Auditor's Report to the Members of Hillbrook Grange Residential Care Home

#### Opinion

We have audited the financial statements of Hillbrook Grange Residential Care Home (the 'charity') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

## Hillbrook Grange Residential Care Home

### Independent Auditor's Report to the Members of Hillbrook Grange Residential Care Home

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

We have nothing to report in this regard.

#### 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the .

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

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

#### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 7), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### 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.

## Hillbrook Grange Residential Care Home

### Independent Auditor's Report to the Members of Hillbrook Grange Residential Care Home

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:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the residential care home sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, the Care Quality Commission (CQC) regulations, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

## Hillbrook Grange Residential Care Home

### Independent Auditor's Report to the Members of Hillbrook Grange Residential Care Home

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Care Quality Commission, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](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 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 charity'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.



Anna Bennett (Senior Statutory Auditor)

For and on behalf of Hallidays Group Limited, Statutory Auditor

Riverside House  
Kings Reach Business Park  
Yew Street  
Stockport  
SK4 2HD

5 October 2021

## Hillbrook Grange Residential Care Home

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	3,414	85,717	89,131
Charitable activities	4	1,161,343	-	1,161,343
Investment income	5	16,629	-	16,629
Other income	6	500	-	500
Total Income		<u>1,181,886</u>	<u>85,717</u>	<u>1,267,603</u>
<b>Expenditure on:</b>				
Raising funds	7	(4,803)	-	(4,803)
Charitable activities	8	(1,281,789)	(69,563)	(1,351,352)
Total Expenditure		(1,286,592)	(69,563)	(1,356,155)
Gains/losses on investment assets		77,291	-	77,291
Net (expenditure)/income		<u>(27,415)</u>	<u>16,154</u>	<u>(11,261)</u>
Net movement in funds		(27,415)	16,154	(11,261)
<b>Reconciliation of funds</b>				
Total funds brought forward		3,875,383	-	3,875,383
Total funds carried forward	21	<u>3,847,968</u>	<u>16,154</u>	<u>3,864,122</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 21.

The notes on pages 16 to 30 form an integral part of these financial statements.

## Hillbrook Grange Residential Care Home

### Statement of Financial Activities for the Year Ended 31 March 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Total 2020 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	120	120
Charitable activities	4	1,223,903	1,223,903
Investment income	5	18,511	18,511
Other income	6	1,600	1,600
<b>Total Income</b>		<b>1,244,134</b>	<b>1,244,134</b>
<b>Expenditure on:</b>			
Raising funds	7	(4,563)	(4,563)
Charitable activities	8	(1,214,277)	(1,214,277)
<b>Total Expenditure</b>		<b>(1,218,840)</b>	<b>(1,218,840)</b>
Gains/losses on investment assets		(57,704)	(57,704)
<b>Net expenditure</b>		<b>(32,410)</b>	<b>(32,410)</b>
Net movement in funds		(32,410)	(32,410)
<b>Reconciliation of funds</b>			
Total funds brought forward		3,907,793	<b>3,907,793</b>
Total funds carried forward	21	3,875,383	3,875,383

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 21.

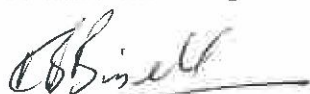
The notes on pages 16 to 30 form an integral part of these financial statements.

## Hillbrook Grange Residential Care Home

(Registration number: 07125607)  
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	3,384,803	3,394,663
Investments	16	577,150	484,413
		3,961,953	3,879,076
<b>Current assets</b>			
Stocks	17	150	150
Debtors	18	19,141	8,378
Cash at bank and in hand		22,348	24,677
		41,639	33,205
<b>Creditors: Amounts falling due within one year</b>	19	(139,470)	(36,898)
<b>Net current liabilities</b>		(97,831)	(3,693)
<b>Net assets</b>		3,864,122	3,875,383
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		16,154	-
<b>Unrestricted income funds</b>			
Unrestricted funds		3,847,968	3,875,383
<b>Total funds</b>	21	3,864,122	3,875,383

The financial statements on pages 12 to 30 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:



Mr Robert Bruce Bissell (Appointed 30th April 2021)  
Trustee



Mrs Patricia Leck  
Trustee

The notes on pages 16 to 30 form an integral part of these financial statements.

## Hillbrook Grange Residential Care Home

### Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash expenditure		(11,261)	(32,410)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	10	83,397	77,862
(Gains)/losses on investment assets		(78,815)	57,705
Investment income	5	(16,629)	(18,511)
		<u>(23,308)</u>	<u>84,646</u>
<b>Working capital adjustments</b>			
Increase in debtors	18	(10,763)	(1,351)
Increase/(decrease) in creditors	19	102,572	(9,061)
Net cash flows from operating activities		<u>68,501</u>	<u>74,234</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	15	(73,537)	(32,076)
Purchase of investments	16	(121,126)	(147,621)
Sale of investments	16	107,204	76,713
Investment income	5	16,629	18,511
Net cash flows from investing activities		<u>(70,830)</u>	<u>(84,473)</u>
Net decrease in cash and cash equivalents		(2,329)	(10,239)
Cash and cash equivalents at 1 April		<u>24,677</u>	<u>34,916</u>
Cash and cash equivalents at 31 March		<u>22,348</u>	<u>24,677</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 16 to 30 form an integral part of these financial statements.

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:  
Hillbrook Grange Residential Care Home  
Ack Lane East  
Bramhall  
Stockport  
SK7 2BY

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

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 Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011

##### Basis of preparation

Hillbrook Grange Residential Care Home 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 notes.

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

The Board consider that the present level of funding remains adequate to support the continuation of the Charity's activities now in operation for the medium term, and its financial position remains satisfactory.

The beginning of the financial year saw the Home enter lockdown as a result of the Covid-19 pandemic. Over the course of the next few months, the Home lost some seven residents to the disease. As lockdown restrictions eased and new residents were admitted, the Home has since returned to occupancy levels of 90%.

In spite of the financial volatility caused by the Covid-19 pandemic, the Board are of the opinion that a reasonable level of free reserves would be a sum sufficient to fund six months' expenses **estimated** to be in the order of £500,000. The Trustees are satisfied that the Home is a going concern.

#### **Income and endowments**

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 the income receivable can be measured reliably.

#### *Donations and legacies*

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the **administrator/executor** for the estate has communicated in writing both the amount and **settlement** date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

#### *Grants receivable*

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### *Investment income*

Investment income is accounted for in the period in which the charity is entitled to receipt.

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **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.

#### **Tangible fixed assets**

Individual fixed assets costing £100.00 or more are initially recorded at cost.

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Property - Structure	1 - 3 % straight line
Property - Fixed Equipment	5 - 10% straight line
Moveable Fixtures, fitting and equipment	10 - 33% reducing balance

#### Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 3 Income from donations, legacies and grants

	<b>Unrestricted</b>		<b>Total</b>	<b>Total</b>
	<b>General</b>	<b>Restricted</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations and legacies;				
Donations	3,414	-	3,414	120
Grants, including capital grants;				
Government grants	-	85,717	85,717	-
	3,414	85,717	89,131	120

Government grants are those arising from the COVID pandemic

#### 4 Income from charitable activities

	<b>Unrestricted</b>		<b>Total</b>	<b>Total</b>
	<b>funds</b>		<b>2021</b>	<b>2020</b>
	<b>General</b>		<b>£</b>	<b>£</b>
Residential care	1,161,343		1,161,343	1,223,903

#### 5 Investment income

	<b>Unrestricted</b>		<b>Total</b>	<b>Total</b>
	<b>funds</b>		<b>2021</b>	<b>2020</b>
	<b>General</b>		<b>£</b>	<b>£</b>
Other income from fixed asset investments	16,629		16,629	18,511

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

**6 Other income**

	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
	<b>General</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Other income	500	500	1,600
	<u>500</u>	<u>500</u>	<u>1,600</u>

**7 Expenditure on raising funds**

**a) Investment management costs**

	<b>Note</b>	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
		<b>funds</b>	<b>2021</b>	<b>2020</b>
		<b>General</b>	<b>£</b>	<b>£</b>
		<b>£</b>		
Other investment management costs;		4,803	4,803	4,563
Other portfolio management costs		4,803	4,803	4,563
		<u>4,803</u>	<u>4,803</u>	<u>4,563</u>

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 8 Expenditure on charitable activities

	Note	Unrestricted		Total 2021 £	Total 2020 £
		General £	Restricted £		
Direct Costs (excluding staff costs)		328,188	19,593	347,781	319,873
Staff costs		848,862	49,970	898,832	786,260
Allocated support costs (excluding staff costs)	9	78,849	-	78,849	89,384
Governance costs (including staff costs)	9	25,890	-	25,890	18,760
		<u>1,281,789</u>	<u>69,563</u>	<u>1,351,352</u>	<u>1,214,277</u>

	Unrestricted		Total 2021 £	Total 2020 £
	General £	Restricted £		
<b>Direct Costs</b>				<b>Total expenditure £</b>
Cost of goods sold	83,551	-	83,551	84,400
Employment costs	848,862	49,970	898,832	786,260
Training costs	7,895	-	7,895	1,681
Establishment costs	43,286	12,835	56,121	52,773
Repairs and maintenance	104,546	4,545	109,091	94,764
Advertising and promotion	6,133	-	6,133	6,714
Bank charges	1,593	-	1,593	1,679
Depreciation of tangible fixed assets	81,184	2,213	83,397	77,862
	<u>1,177,050</u>	<u>69,563</u>	<u>1,246,613</u>	<u>1,106,133</u>

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 9 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	Governance costs £	Other support costs £	Total 2021 £	Total 2020 £
Employment costs	4,952	-	4,952	4,120
Establishment costs	-	10,253	10,253	10,480
Office expenses	-	4,581	4,581	4,299
Printing, postage and stationary	-	4,613	4,613	4,416
Subscriptions and donations	-	8,317	8,317	7,579
Cleaning	-	24,725	24,725	18,328
Auditors remuneration	6,997	-	6,997	5,772
Legal and professional costs	13,941	26,360	40,301	53,150
	<u>25,890</u>	<u>78,849</u>	<u>104,739</u>	<u>108,144</u>

#### 10 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2021 £	2020 £
Audit fees	6,997	5,772
Other non-audit services	22,635	18,835
Depreciation of fixed assets	<u>83,397</u>	<u>77,862</u>

#### 11 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

##### Mr Gavin Ferguson (Resigned 16th October 2020)

Mr Gavin Ferguson (Resigned 16th October 2020) received remuneration of £Nil (2020: £25,052) during the year.

In 2020 Gavin Ferguson received the above through Ferguson Associates for consultancy services and not for the work undertaken in his role as a trustee. All trustees are covered by professional indemnity insurance which is paid for by Hillbrook Grange.

No trustees have received any reimbursed expenses from the charity during the year.

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 12 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	834,076	728,800
Social security costs	52,462	45,544
Pension costs	17,204	16,036
Other staff costs	42	-
	<u>903,784</u>	<u>790,380</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Charitable activities	<u>34</u>	<u>29</u>

During the year, the charity made redundancy and/or termination payments which totalled £Nil (2020 - £1,890).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £77,977 (2020 - £66,641).

#### 13 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>6,997</u>	<u>5,772</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>22,635</u>	<u>18,835</u>

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 April 2020	3,643,368	327,568	3,970,936
Additions	-	73,537	73,537
At 31 March 2021	3,643,368	401,105	4,044,473
<b>Depreciation</b>			
At 1 April 2020	356,525	219,748	576,273
Charge for the year	54,730	28,667	83,397
At 31 March 2021	411,255	248,415	659,670
<b>Net book value</b>			
At 31 March 2021	3,232,113	152,690	3,384,803
At 31 March 2020	3,286,843	107,820	3,394,663

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 16 Fixed asset investments

	2021 £	2020 £
Other investments	<u>577,150</u>	<u>484,413</u>

#### Other investments

	Listed investments £	Total £
<b>Cost or Valuation</b>		
At 1 April 2020	484,413	484,413
Revaluation	78,815	78,815
Additions	121,126	121,126
Disposals	<u>(107,204)</u>	<u>(107,204)</u>
At 31 March 2021	<u>577,150</u>	<u>577,150</u>
<b>Net book value</b>		
At 31 March 2021	<u>577,150</u>	<u>577,150</u>
At 31 March 2020	<u>484,413</u>	<u>484,413</u>

#### 17 Stock

	2021 £	2020 £
Stocks	<u>150</u>	<u>150</u>

#### 18 Debtors

	2021 £	2020 £
Trade debtors	10,532	2,244
Prepayments	8,386	6,134
Other debtors	<u>223</u>	<u>-</u>
	<u>19,141</u>	<u>8,378</u>

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 19 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	20,467	478
Other taxation and social security	17,234	10,379
Other creditors	18,388	3,286
Accruals	83,381	22,755
	<u>139,470</u>	<u>36,898</u>

#### 20 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £17,204 (2020 - £16,036).

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 21 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
General	3,875,383	1,181,886	(1,286,592)	77,291	3,847,968
<b>Restricted funds</b>	-	85,717	(69,563)	-	16,154
<b>Total funds</b>	<u>3,875,383</u>	<u>1,267,603</u>	<u>(1,356,155)</u>	<u>77,291</u>	<u>3,864,122</u>

Restricted funds arose from the Stockport Metropolitan Borough Council grants received to support the additional costs arising from the coronavirus pandemic.

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>					
General	<u>3,907,793</u>	<u>1,244,134</u>	<u>(1,218,840)</u>	<u>(57,704)</u>	<u>3,875,383</u>

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 22 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2021 £
Tangible fixed assets	3,368,650	16,154	3,384,804
Fixed asset investments	577,001	-	577,001
Current assets	41,639	-	41,639
Current liabilities	(139,070)	-	(139,070)
<b>Total net assets</b>	<b>3,848,220</b>	<b>16,154</b>	<b>3,864,374</b>
		Unrestricted funds General £	Total funds at 31 March 2020 £
Tangible fixed assets		3,394,663	3,394,663
Fixed asset investments		484,413	484,413
Current assets		33,205	33,205
Current liabilities		(36,898)	(36,898)
<b>Total net assets</b>		<b>3,875,383</b>	<b>3,875,383</b>

#### 23 Analysis of net funds

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	24,677	(2,329)	22,348
<b>Net debt</b>	<b>24,677</b>	<b>(2,329)</b>	<b>22,348</b>
	At 1 April 2019 £	Financing cash flows £	At 31 March 2020 £
Cash at bank and in hand	34,916	(10,239)	24,677
<b>Net debt</b>	<b>34,916</b>	<b>(10,239)</b>	<b>24,677</b>

## Hillbrook Grange Residential Care Home

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 24 Related party transactions

During the year the charity made the following related party transactions:

##### **Tamsin Hill**

(Daughter of Harry Hill, Trustee until 29th March 2021)

Remuneration as employee of Hillbrook Grange Residential Care Home. Total employment costs for the year were £9,975 (2020: £10,792). At the balance sheet date the amount due to/from Tamsin Hill was £Nil (2020 - £Nil).

#### 25 Non adjusting events after the financial period

A section of land owned by Hillbrook Grange Residential Care Home has been sold subject to receipt of planning consent for £3.5 million. A non refundable deposit of £10,000 was received in respect of the land sale in March 2018.

Planning consent was awarded on 1st April 2021 and the land sale completed in June 2021.