

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

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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 Linnane, Deputy Manager
Ms Heather Urwin, Operations Manager
Mr Conor Nellis, 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 Arnison (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 being 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.



.....
Mr B Bissell
Trustee



.....
Mrs P A Leck
Trustee *Teresa McAvity*

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 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 Atkinson
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 Practices).

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 - Partner 14/10/2024

Simon Leitch-Devlin (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

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	Total	Total
		2024	2024	2024	2023
		£	£	£	£
Income and endowments from:					
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
Total income		1,938,008	-	1,938,008	1,539,819
Expenditure on:					
Raising funds	6	3,770	-	3,770	3,935
Charitable activities	7	1,788,996	-	1,788,996	1,695,367
Total expenditure		1,792,766	-	1,792,766	1,699,302
Net profit/(loss) on disposal of land		-	-	-	1,396,700
Net gains/(losses) on investments		17,213	-	17,213	(30,861)
Net movement in funds		162,455	-	162,455	1,206,356
Fund balances at 1 April 2023		3,068,562	3,500,000	6,568,562	5,362,206
Fund balances at 31 March 2024		3,231,017	3,500,000	6,731,017	6,568,562

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
Total income		1,539,819	-	1,539,819
<u>Expenditure on:</u>				
Raising funds	6	3,935	-	3,935
Charitable activities	7	1,695,367	-	1,695,367
Total expenditure		1,699,302	-	1,699,302
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	-
Net movement in funds		(2,293,644)	3,500,000	1,206,356
Fund balances at 1 April 2022		5,362,206	-	5,362,206
Fund balances at 31 March 2023		3,068,562	3,500,000	6,568,562

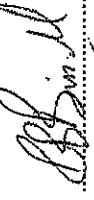
HILLBROOK GRANGE RESIDENTIAL CARE HOME


BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	13		3,007,504		2,969,603
Investments	14		3,632,264		2,242,561
			<u>6,639,768</u> ✓		<u>5,212,164</u>
Current assets					
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>	
Creditors: amounts falling due within one year	17	(156,687)		(155,036)	
Net current assets			91,249		1,356,398
Total assets less current liabilities			<u>6,731,017</u>		<u>6,568,562</u>
Income funds					
Unrestricted funds					
General unrestricted funds	20	3,231,017		3,068,562	
Designated unrestricted funds		3,500,000		3,500,000	
			<u>6,731,017</u>		<u>6,568,562</u>
Total funds			<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 £
Cash flows from operating activities			
Cash generated from/(absorbed by) operations	25	1,417,815	(1,518,815)
Investing activities			
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
Net cash (used in)/generated from investing activities		(1,331,308)	1,495,154
Net cash used in financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		86,507	(23,661)
Cash and cash equivalents at beginning of year		17,349	41,010
Cash and cash equivalents at end of year		103,856	17,349

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

3 Income from charitable activities

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

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income from fixed asset investments	<u>155,915</u>	<u>48,935</u>

HILLBROOK GRANGE RESIDENTIAL CARE HOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

5 Other income

Unrestricted funds	Unrestricted funds
2024	2023
£	£
121	23
=====	=====

6 Raising funds

Unrestricted funds	Unrestricted funds
2024	2023
£	£
3,770	3,935
=====	=====
3,770	3,935
=====	=====

Investment management;
Other portfolio management costs

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 £
	Direct costs		
	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>
	Share of support and governance costs (see note 8)		
	Support	96,676	129,674
	Governance	28,941	30,320
		<u>1,788,996</u>	<u>1,695,367</u>
	Analysis by fund		
	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 £	Support Governance costs £	2024 £	Support Governance costs £	2023 £
	Staff costs	-	5,001	5,001	-	4,635
	Establishment cost	18,793	-	18,793	18,003	18,003
	Office expenses	2,553	-	2,553	660	660
	Printing, postage and stationery	7,456	-	7,456	9,265	9,265
	Subscriptions	8,758	-	8,758	8,374	8,374
	Cleaning	23,970	-	23,970	22,195	22,195
	Legal and professional costs	35,146	15,840	50,986	71,177	88,762
	Audit fees	-	8,100	8,100	-	8,100
		<u>96,676</u>	<u>28,941</u>	<u>125,617</u>	<u>129,674</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>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 Number	2023 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 £
	Cost or valuation			
	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
	Carrying amount			
	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 £
	Amounts falling due within one year:		
	Trade debtors	74,142	57,625
	Other debtors	301	1,396,700
	Prepayments and accrued income	69,487	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>
Depreciation and impairment				
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>
Carrying amount				
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			
Defined contribution schemes	2024	2023	
	£	£	
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
	£	£	£
At 31 March 2024:			
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
	£	£	£
At 31 March 2023:			
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>

FOR THE YEAR ENDED 31 MARCH 2024

20 Unrestricted funds

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

General	Balance at 1 April 2022	£	5,362,206	2,936,519	(1,730,163)	(3,500,000)	3,068,562	1,938,008	1,757,910
	Incoming resources	£	-	-	-	3,500,000	3,500,000	-	-
Designated	Balance at 1 April 2022	£	5,362,206	2,936,519	(1,730,163)	-	6,568,562	2,936,519	1,757,910
	Incoming resources	£	-	-	-	3,500,000	3,500,000	-	-
	Balance at 1 April 2023	£	-	-	-	-	-	-	-
	Transfers	£	-	-	-	-	-	-	-
	Resources expended	£	-	-	-	-	-	-	-
	Balance at 1 April 2024	£	-	-	-	-	-	-	-
	Transfers	£	-	-	-	-	-	-	-
	Resources expended	£	-	-	-	-	-	-	-
	Balance at 31 March 2024	£	-	-	-	-	-	-	-
	Gains and losses	£	-	-	-	-	-	-	-
	Balance at 31 March 2024	£	-	-	-	-	-	-	-

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

25	Cash generated from operations	2024 £	2023 £
	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
	Cash generated from/(absorbed by) operations	1,417,815	(1,518,815)