

Pilton House Trust
Company Limited by Guarantee
Financial Statements
31 December 2021

THOMAS WESTCOTT LLP
Chartered Accountants & Statutory Auditors
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Pilton House Trust

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2021

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Pilton House Trust

Company Limited by Guarantee

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

Year ended 31 December 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2021.

Reference and administrative details

Registered charity name Pilton House Trust

Charity registration number 1154226

Company registration number 08582100

Principal office and registered office Pilton House Residential Care Home
Pilton House
Pilton Street
BARNSTAPLE
Devon
EX31 1PQ

The trustees Mrs V A Elkins (Resigned 3 September 2021)
Mr M Norris
Ms I M Hockin
Mrs J L Hunt
Mrs J Coates

Auditor Thomas Westcott LLP
Chartered Accountants & Statutory Auditors
47 Boutport Street
Barnstaple
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Pilton House Trust

Company Limited by Guarantee

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

Year ended 31 December 2021

Structure, governance and management

Governing document

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

Recruitment and appointment of new trustees

Trustees have historically consisted of at least 5 and not more than 15 individuals. Although there are only currently 5 acting trustees, there has been a concerted effort in recent years to advertise and appeal for potential new trustees to come forward, in addition to making use of the networks of existing trustees. While trustee numbers have been maintained, which is encouraging, no new trustees have been added. Largely this reflects the general national trend which has seen volunteer numbers significantly declining in recent years.

One third of the trustees must retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots. Except on rotation a trustee may be appointed at a general meeting but only if there is a vacancy and he/she is recommended by a trustee or a member has given the required notice of proposal with written confirmation of willingness to be elected a trustee. All trustees must have a satisfactory and up to date Disclosure and Barring Service check in order to remain a trustee.

Organisational structure

Miss R Jenner is the Home's registered manager and manages operational issues day to day. She is supported by an assistant manager, heads of department and a group of team leaders.

The trustees meet at regular monthly meetings, where all significant issues are discussed and agreed. The trustees guide the Home Manager on a regular basis which enables the trustees to maintain the overall management of the House.

Related parties

No trustee may take part in any discussion or decision where they have a conflict of interest and where the outcome of that decision may be to the benefit or detriment of themselves, their relatives, friends or employers. Their interest, if such circumstances should arise, must be made known to the board.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Risk management policies have been produced by the trustees.

The major risks to which the charity is exposed, as identified by the trustees, relate to the management of the investments, the management of the business on a daily basis with delegated responsibilities passed from trustees to the management and staff, financial risks and reputational risks. The trustees have reviewed these risks and contingency plans have been established to mitigate these risks.

Pilton House Trust

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

Year ended 31 December 2021

Objectives and activities

Objectives and aims

The objectives and aim of Pilton House Trust is the relief of poverty, sickness and old age, in particular by the provision of suitable housing accommodation and nursing homes and the provision of day and respite care facilities for elderly persons in Barnstaple with the object of improving their conditions of life.

In setting their objectives and planning their activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. A regular newsletter is produced by the House Manager to update residents and relatives on activities and issues at the House. The website is updated to reflect changes in the Home and to provide relevant information for families and individuals interested in our services. Fundraising activities aim to involve the support of the local community.

A Statement of Purpose has been drawn-up which is available to residents, relatives and third parties on request.

The charity meets its objectives by feedback from inspections undertaken by the Care Quality Commission together with regular feedback from the residents and their relatives/friends.

Pilton House Trust

Company Limited by Guarantee

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

Year ended 31 December 2021

Achievements and performance

Charitable activities

Generally, the year 1 January 2021 to 31 December 2021 has been one of the most challenging years since the Trust began. This was due in part to the global pandemic but also due to rising costs across the organisation which, when combined with a challenging market for the recruitment of staff, created considerable difficulty in planning throughout the year. Continued and significant difficulties associated with COVID-19 were presented for the staff and residents to overcome. COVID-19 safety measures remained in place for much of the year, creating very different experiences for residents, their relatives and friends. Nevertheless, the staff worked tirelessly to ensure the best and safest service was able to be delivered to everyone associated with the Home. This has included the adoption of new methods of working, effective use of technology to keep in touch with families and support healthcare provision, and additional support for staff and residents as needed.

Despite the challenges surrounding the pandemic, the excellent care provision and extensive COVID-19 adaptations ensured the Home maintained a healthy waiting list of potential residents. Sadly, a number of other activities remained suspended from this year such as the Memory Café which usually operates from the Home along with regular coffee mornings and meetings of the Friends of Pilton House. Some events continued through the use of technology with videoconferencing becoming a regular feature of life at the Home for staff and residents. Due to the continued restrictions and wider COVID-19 landscape during the year, sources of income remained under pressure with a number of the usual fundraising activities unable to be completed as they would usually be. This reached a peak during the middle of the year and extraordinary work was required to ensure Pilton House was able to meet its needs for the future. As the year continued, significant cost of living increases to wages introduced by the Government would require further planning to ensure staff were not disadvantaged and that Pilton House Trust could continue to meet the needs and expectations of our staff. Nevertheless, as the Home remained fully staffed and was able to operate safely and effectively despite these challenges, and against the wider landscape of reported difficulties in many care settings across the country. Additional funding was made available by the local authority to many care homes, and this was vital in supporting the high quality of care for residents at Pilton House during 2021.

A considerable amount of training has been undertaken by staff during the year through a mix of virtual sessions, e-Learning and in-house trainers. CQC noted nationally that training in 2020 had been adversely impacted by the impact of the pandemic. However, Pilton House Trust maintained a schedule of some 1,755 sessions for staff during 2020. The 2021 programme continues to build upon this, including:

1. COVID-19 safe working practices, testing, vaccination programme
 2. Effective and safe use of PPE
 3. Infection Control
 4. RESTORE 2
 5. Leadership Skills for Team Leaders
 6. Confidentiality
 7. Falls Awareness
 8. Safeguarding, PREVENT, consent and the power of attorney
 9. GDPR
 10. End of Life Care
 11. Effective Communication, Belief and Values
 12. Oral health care including care plans
 13. Pressure area care and management
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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2021

14. Moving and handling including instructors
15. Induction
16. Nutrition and hydration, special diets including for residents with diabetes
17. Dementia and mental capacity
18. Person Centred Care
19. Influenza and infection control, sepsis awareness
20. COSHH, hand hygiene, food hygiene, legionella
21. Medication
22. Non-pharmacological approaches to symptom management
23. Practical fire evacuation and fire safety
24. Fire Awareness Level 2
25. First aid training including first aid instructors
26. Challenging Behaviour
27. Equality and Diversity
28. Level 2 and level 3 diplomas in Care for the majority of staff that do not hold this qualification yet
29. Health and safety including Health and Safety Instructor courses for more efficient and flexible delivery of courses within the Home
30. Six staff are completing NVQs in: Health and Social Care, Team Leading, Supervision, and Catering

The OOMPH activities programme, which was introduced in 2018, has continued unabated supporting many enjoyable activities for our residents each month. Staff continue to receive training in this programme with regular reports on progress that show sustained improvements. Photographs of some of the wonderful activities of residents are displayed in the Home for all to see and technology has been used effectively to support outside contact with relatives and friends while visiting in person was restricted due to the pandemic. It is truly remarkable to visit the Home and see physical activity sessions for residents who have limited mobility, to listen to singing and live music activities and to look at some of the creative endeavours of staff and residents on display throughout the Home. Observation of the Just Bowl indoor bowling is a particular treat. The grounds have been further developed and now include a large fishpond, ducks, rabbits, and chickens which have been hatched from eggs, in addition to the more usual dogs and cats that can often be found exploring the Home each day. In summer, the area in front of the veranda is awash with colour from the raised flower beds and a true oasis for the residents and staff of Pilton House.

The Home and grounds are brightened by even more plants and flowers, and residents are able to enjoy gardening activities should they wish. The Home hopes to be able to welcome a return to the work experience programme for local students next year, having previously been impacted by the pandemic. The endless work of our staff and volunteers to better the experiences of our residents and staff is truly appreciated.

The staff and management team have continued to streamline processes as part of our GDPR programme this year, including the move to more paperless systems, with the vast majority of day-to-day operations now supported by technology. A number of new systems have been introduced including the move to a different cloud-based medication system. The feedback from quality surveys and testimonials throughout the year have been a real recognition of our continued pursuit of excellence in the service we deliver to residents, their families and friends.

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

Year ended 31 December 2021

Achievements and performance *(continued)*

Fundraising activities

Income has improved gradually, not only through a revised fee system but also due to fund raising initiatives by friends and families of current and former residents, the care staff and the Home Manager. Nevertheless, COVID-19 restrictions meant at several times during the year the Home was unable to operate at full capacity as it was not safe to accept new residents. This created a funding shortfall which was offset in part by the additional local authority funding due to the pandemic. Funds such as those from investments and donations have been used for projects within the Home to increase the positive experience of residents. While there has been significant redecoration of some parts of the Home and continuous improvements throughout the year, much of the investment has been around COVID-19 adaptations such as the establishment of visiting areas, including outdoor structures. The Circle of Friends group was closed again this year due to the pandemic. We hope in the future this can be formed once again so its members can assist in fund raising and other initiatives, including the promotion of the Home in the Pilton area and to local businesses to encourage support and donations.

Other activities

Repairs were required to a number of exterior areas of the site, resulting in some unexpected expenditure. Repairs were also required to parts of the structure of the main building including windows and doors. Maintaining quality facilities in an historic Grade-II Listed building such as Pilton House often comes at a greater expense and creates more complexity for the management team than would be found in a purpose-built Home. But living and working in Pilton House is one of the most unique and loved benefits of the services we provide, bringing joy to our residents and staff alike. It is a truly special place with a tremendous history.

An employee assistance programme was introduced in January 2019 which includes Face to Face Counselling and Cognitive Behavioural Therapy (CBT), combined with a 24/7 support service. This is offered free of charge to staff and their immediate families in order to provide greater care and support to our valued team. Combined with the wider support offered in the area due to the effects of the pandemic, and national programmes, staff have had a range of support structures that could be accessed if required. It is without a doubt been one of the most challenging years for the staff of Pilton House Trust and without their support, dedication, courage and determination, the Home would not be able to flourish in the way that it has.

Sadly, many of our usually rich breadth of experiences that are made available to residents were unable to continue normally. Activities such as Carriage Riding (with thanks to the Calvert Trust Exmoor) – a remarkable and memorable experience for all concerned – our animal experiences, travelling farm visits and many animal encounters for residents and staff at the Home, have all been missed dearly in 2021. Nevertheless, our internal activities programme has continued with barely a pause, ably supported by a number of our staff. Our person-centred approach with the personalisation of bedrooms and indoor areas to make the Home more reflective of the tastes and wishes of our residents has continued, including redecoration when needed.

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

Year ended 31 December 2021

Financial review

Total income for the year amounted to £1,102,197 (2020: £1,115,799), £48,812 (2020: £41,549) of which was specifically directed for utilisation towards restricted expenditure.

Personnel expenditure relating to salaries and pension contributions remains by far the single largest area of expenditure, amounting to £835,897 (2020: £809,846).

Total reserves at the end of 2021 amounted to £1,253,174. This includes tangible fixed assets of £947,340, Investments of £208,389 and net current assets of £100,445. Restricted reserves amounted to £3,000.

Principal funding sources

Funds are generated by the charity through residents charges, obtaining grants, receiving donations, investment income and undertaking other fundraising activities.

Reserves policy

The trustees have indicated that they wish to keep a minimum of four months reserves in hand at all times, preferably six months if this is possible. In 2021, they are currently only holding 3 ½ months of free reserves.

Plans for future periods

In 2021, the Home's management team developed individual department teams responsible for different areas of the Home and business through training and greater autonomy, improving efficiency and allowing us to better adapt to the budget constraints that were experienced during the year. 2019's introduction of new methods of keeping in touch with families continued to be a valuable resource during 2021 with greater use of video calling and other secure online communications. This is being developed continuously in response to the changing nature of the pandemic.

The number of individuals and families using our services continues to remain healthy and, with long waiting lists, this shows no sign of changing during 2022.

Giving the significant costs of COVID-19, ongoing maintenance and repair, and raises to the National Minimum Wage and National Living Wage during 2022, it is clear that a revised fee structure will be required in order to keep the Home sustainably funded for the immediate future. Plans are in place to revise the fee structure for 2022.

The Trust maintains a desire to increase the level of reserves we have for the future. Despite an established programme of planned maintenance, unexpected costs continue to present themselves each year and, in the face of the pandemic, the Home must continue to be in a position to respond to these costs as the need arises.

The staff are our key to success, and we must continue to ensure their training needs are met to achieve the highest standard of care. This includes the level of care and support given to staff both personally as well as professionally. Only happy and secure staff will provide our residents with the best possible care, and this is something we recognise and is at the heart of everything we do.

Achieving the balance between the cost of care and financial viability is imperative and only possible at present because we are a non-profit making organisation.

Pilton House Trust

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

Year ended 31 December 2021

Plans for future periods (continued)

FEEDBACK FROM RESIDENTS, VISITORS AND STAFF

Included below are a selection of comments received during 2021:

"In life, one of the hardest decision a family has to make is whether their loved family member would be cared for better and safer in a care home environment: My brother and I can truly say the decision we made for Mum to move into Pilton House was the right one at a time when Mum was at her most vulnerable."

The outside terrace and garden is a safe and pleasant area full of plants, colour and wildlife not to mention the ducks, chickens and rabbits; a delight and pleasure to Mum. The home is always warm, clean and full of life; with rooms to sit quietly or rooms to be with others; loneliness is not to be found here. Time is always given for a chat or a simple holding of a hand."

– Family Member of Resident

"Thanks to the staff who make mum happy, who support her when she is unbalanced, who are patient with her whilst she processes instructions, who lower her bed and tuck her in at night, who check in on her whilst she sleeps, who wake her up with a smile, who help her wash to stay comfortable and clean, who make her feel pretty through beauty treatments, who help her get dressed, who prepare her food and beverages, who feed her when she is confused, who clean her clothes and change her sheets, who clean her room and the rest of the home, who go out of their way to send me updates & pictures of mum getting involved with activities, who repair and improve the quality of her surroundings, who keep her safe, who offer their support and best wishes to me and who love my mum for the beautiful character she is. Thank you for all that you do, you are all what makes Pilton House the special place it is today."

– Family Member of Resident

"This amazing Trust has been a lifesaver for my sanity and phenomenal in looking after my mum's care."

I will always be eternally grateful and am in total awe of all the staff. So amazing. Thank you."

– Family Member of Resident

"Pilton house is very welcoming and friendly home. The Management and staff are all very supportive to both residents and their families. They are a great team at Pilton House and work very well together at all levels - they are extremely patient and very caring towards all the residents and nothing is too much trouble. We are very happy that my Mother is able to live here and has the support and care she needs."

– Family Member of Resident

"The team at Pilton House have really helped us as a family as well as our loved one that lives there. It wasn't an easy decision for us, but she couldn't have been in better hands. They are all incredibly caring and do everything they can to help."

– Family Member of Resident

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

Year ended 31 December 2021

Events after the end of the reporting period

At the date of preparation of the financial statements, the instability factor relating to the Covid health emergency should not be underestimated. There have been no adjusting events identified whilst preparing the accounts. The charity has reviewed this scenario and evaluated the management actions to mitigate the operational impact. The charity has adopted initiatives to safeguard the health of its people and actions aimed at maintaining operational activity. The repercussions on any adjustments to the financial statements are currently not determinable in light of the volatility of the scenario and the continuous evolution of the market, these will be reflected in the 2022 results

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

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

Small company provisions

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

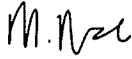
Pilton House Trust

Company Limited by Guarantee

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

Year ended 31 December 2021

The trustees' annual report was approved on12-07-2022..... and signed on behalf of the board of trustees by:



Mr M Norris
Trustee

Pilton House Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Pilton House Trust

Year ended 31 December 2021

Opinion

We have audited the financial statements of Pilton House Trust (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 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;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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.

Pilton House Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Pilton House Trust *(continued)*

Year ended 31 December 2021

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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.

Pilton House Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Pilton House Trust *(continued)*

Year ended 31 December 2021

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:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.
- The Trust is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other charity legislation. The Trust is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts or disclosures within the financial statements, including employment, anti-bribery, anti-money laundering and certain aspects of charity legislation. We identified the following as most likely areas to have such an effect - Compliance with CQC regulations and additional Health and Safety regulations due to the nature of operations.
- Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

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

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Independent Auditor's Report to the Members of Pilton House Trust *(continued)*

Year ended 31 December 2021

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

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Thomas Westcott

Thomas Westcott LLP
Chartered Accountants & Statutory Auditors
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

1st August 2022

Pilton House Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2021

		Unrestricted funds	2021 Restricted funds	Total funds	2020 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	2,031	48,812	50,843	69,853
Charitable activities	6	1,046,196	—	1,046,196	1,040,780
Investment income	7	4,292	—	4,292	4,327
Other income	8	866	—	866	839
Total income		<u>1,053,385</u>	<u>48,812</u>	<u>1,102,197</u>	<u>1,115,799</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	9	—	—	—	18
Expenditure on charitable activities	10,11	1,071,237	45,812	1,117,049	1,091,995
Total expenditure		<u>1,071,237</u>	<u>45,812</u>	<u>1,117,049</u>	<u>1,092,013</u>
Net gains on investments	13	20,419	—	20,419	5,243
Net income and net movement in funds		<u>2,567</u>	<u>3,000</u>	<u>5,567</u>	<u>29,029</u>
Reconciliation of funds					
Total funds brought forward		1,250,607	—	1,250,607	1,221,578
Total funds carried forward		<u>1,253,174</u>	<u>3,000</u>	<u>1,256,174</u>	<u>1,250,607</u>

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

The notes on pages 19 to 29 form part of these financial statements.

Pilton House Trust
Company Limited by Guarantee
Statement of Financial Position
31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	17	947,340	963,047
Investments	18	208,389	192,835
		<u>1,155,729</u>	<u>1,155,882</u>
Current assets			
Debtors	19	7,676	19,215
Cash at bank and in hand		126,759	121,824
		<u>134,435</u>	<u>141,039</u>
Creditors: amounts falling due within one year	20	<u>33,990</u>	<u>46,314</u>
Net current assets		<u>100,445</u>	<u>94,725</u>
Total assets less current liabilities		<u>1,256,174</u>	<u>1,250,607</u>
Net assets		<u>1,256,174</u>	<u>1,250,607</u>
Funds of the charity			
Restricted funds		3,000	—
Unrestricted funds		1,253,174	1,250,607
Total charity funds	23	<u>1,256,174</u>	<u>1,250,607</u>

For the year ending 31 December 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The statement of financial position
continues on the following page.
The notes on pages 19 to 29 form part of these financial statements.

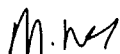
Pilton House Trust

Company Limited by Guarantee

Statement of Financial Position *(continued)*

31 December 2021

These financial statements were approved by the board of trustees and authorised for issue on ~~12.07.2022~~, and are signed on behalf of the board by:



Mr M Norris
Trustee

The notes on pages 19 to 29 form part of these financial statements.

Pilton House Trust

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income	5,567	29,029
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	15,707	17,558
Government grant income	(45,812)	(66,678)
Net gains on investments	(20,419)	(5,243)
Other interest receivable and similar income	(4,292)	(4,327)
Accrued income	(156)	(1,766)
<i>Changes in:</i>		
Trade and other debtors	11,539	(3,187)
Trade and other creditors	(12,168)	8,750
Cash generated from operations	(50,034)	(25,864)
Interest received	4,292	4,327
Net cash used in operating activities	(45,742)	(21,537)
Cash flows from investing activities		
Purchase of tangible assets	—	(5,431)
Purchases of other investments	(41,983)	(30,156)
Proceeds from sale of other investments	46,848	29,580
Net cash from/(used in) investing activities	4,865	(6,007)
Cash flows from financing activities		
Government grant income	45,812	66,678
Net cash from financing activities	45,812	66,678
Net increase in cash and cash equivalents	4,935	39,134
Cash and cash equivalents at beginning of year	121,824	82,690
Cash and cash equivalents at end of year	126,759	121,824

The notes on pages 19 to 29 form part of these financial statements.

Pilton House Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Pilton House Residential Care Home, Pilton House, Pilton Street, Barnstaple, Devon, EX31 1PQ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

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

Judgements and key sources of estimation uncertainty

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

Fund accounting

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

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

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

Pilton House Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Incoming resources

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

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

Resources expended

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

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

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

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Pilton House Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

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

Fixtures and fittings	- 15% reducing balance
Equipment	- 20% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Government grants

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

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

Pilton House Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Defined contribution plans

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

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

4. Limited by guarantee

Pilton House Trust is a company limited guarantee and accordingly does not have the share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	2,031	3,000	5,031

Pilton House Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Grants			
Government grant income	—	45,812	45,812
	<u>2,031</u>	<u>48,812</u>	<u>50,843</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	2,875	300	3,175
Grants			
Government grant income	25,429	41,249	66,678
	<u>28,304</u>	<u>41,549</u>	<u>69,853</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Residents fee income	<u>1,046,196</u>	<u>1,046,196</u>	<u>1,040,780</u>	<u>1,040,780</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	1	1	10	10
Investment dividends	<u>4,291</u>	<u>4,291</u>	<u>4,317</u>	<u>4,317</u>
	<u>4,292</u>	<u>4,292</u>	<u>4,327</u>	<u>4,327</u>

8. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Parking fees	820	820	800	800
Sundry income	<u>46</u>	<u>46</u>	<u>39</u>	<u>39</u>
	<u>866</u>	<u>866</u>	<u>839</u>	<u>839</u>

Pilton House Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

9. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Fundraising events	—	—	18	18

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Direct service provision	1,050,791	45,812	1,096,603
Support costs	20,446	—	20,446
	<u>1,071,237</u>	<u>45,812</u>	<u>1,117,049</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Direct service provision	1,031,109	41,549	1,072,658
Support costs	19,337	—	19,337
	<u>1,050,446</u>	<u>41,549</u>	<u>1,091,995</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
Direct service provision	<u>1,096,603</u>	<u>20,446</u>	<u>1,117,049</u>	<u>1,091,995</u>

12. Analysis of support costs

	Charitable activities £	Total 2021 £	Total 2020 £
Auditors remuneration	4,273	4,273	4,495
Bookkeeping	14,360	14,360	13,253
Investment management fees	1,813	1,813	1,589
	<u>20,446</u>	<u>20,446</u>	<u>19,337</u>

Pilton House Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

13. Net gains on investments

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on listed investments	<u>20,419</u>	<u>20,419</u>	<u>5,243</u>	<u>5,243</u>

14. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	15,707	17,558
Fees payable for the audit of the financial statements	<u>4,273</u>	<u>4,495</u>

15. Staff costs

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

	2021 £	2020 £
Wages and Salaries	777,370	753,747
Social security costs	45,342	43,862
Employer contributions to pension plans	13,185	12,237
	<u>835,897</u>	<u>809,846</u>

The average head count of employees during the year was 45 (2020: 48). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Charitable activities	<u>28</u>	<u>28</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

16. Trustee remuneration and expenses

During the year ended 31 December 2021 no Trustees received any remuneration or other benefits (2020: £Nil). No Trustees expenses were paid during the year (2020: £Nil)

Pilton House Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

17. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 January 2021 and 31 December 2021	950,000	37,213	37,220	1,024,433
Depreciation				
At 1 January 2021	18,905	21,277	21,204	61,386
Charge for the year	9,311	2,391	4,005	15,707
At 31 December 2021	28,216	23,668	25,209	77,093
Carrying amount				
At 31 December 2021	921,784	13,545	12,011	947,340
At 31 December 2020	931,095	15,936	16,016	963,047

18. Investments

	Listed investments £
Cost or valuation	
At 1 January 2021	192,835
Additions	41,983
Disposals	(46,848)
Fair value movements	20,419
At 31 December 2021	208,389
Impairment	
At 1 January 2021 and 31 December 2021	
Carrying amount	
At 31 December 2021	208,389
At 31 December 2020	192,835

All investments shown above are held at valuation.

Financial assets held at fair value

The historical cost of the investment as at 31 December 2021 is £147,244 (2020: £142,580).

19. Debtors

	2021 £	2020 £
Trade debtors	5,003	16,279
Prepayments and accrued income	2,673	2,936
	7,676	19,215

Pilton House Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

20. Creditors: amounts falling due within one year

	2021	2020
	£	£
Payments received on account	612	830
Trade creditors	11,359	22,319
Accruals and deferred income	7,581	7,737
Social security and other taxes	11,958	12,726
Other creditors	2,480	2,702
	<u>33,990</u>	<u>46,314</u>

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £13,185 (2020: £12,237).

22. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in income from donations and legacies:		
Government grants income	<u>45,812</u>	<u>66,678</u>

Pilton House Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

23. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2021 £
General funds	1,237,901	1,047,328	(1,063,361)	(922,701)	20,419	319,586
Dementia Care	2,397	—	—	—	—	2,397
Investment dividends	9,475	4,026	(4,094)	—	—	9,407
Fixed asset Property Fund	—	—	—	921,784	—	921,784
Amenities	834	2,031	(3,782)	917	—	—
Staff	—	—	—	—	—	—
Green Man Day	—	—	—	—	—	—
Patient Comfort	—	—	—	—	—	—
	<u>1,250,607</u>	<u>1,053,385</u>	<u>(1,071,237)</u>	<u>—</u>	<u>20,419</u>	<u>1,253,174</u>

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2020 £
General funds	1,205,974	1,065,847	(1,042,242)	3,079	5,243	1,237,901
Dementia Care	2,397	—	—	—	—	2,397
Investment dividends	9,571	4,028	(4,124)	—	—	9,475
Fixed asset Property Fund	—	—	—	—	—	—
Amenities	557	4,375	(4,098)	—	—	834
Staff	117	—	—	(117)	—	—
Green Man Day	2,829	—	—	(2,829)	—	—
Patient Comfort	133	—	—	(133)	—	—
	<u>1,221,578</u>	<u>1,074,250</u>	<u>(1,050,464)</u>	<u>—</u>	<u>5,243</u>	<u>1,250,607</u>

The Investment dividend fund is used to provide extra items to improve the wellbeing of residents.

The value of the property has been designated this year, to show users of the accounts that what "free" reserves are actually available.

Pilton House Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

23. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Jan 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2021 £
Community Support	—	—	—	—	—	—
End of Life Care	—	—	—	—	—	—
Property maintenance	—	3,000	—	—	—	3,000
Government Grants	—	45,812	(45,812)	—	—	—
	—	48,812	(45,812)	—	—	3,000
	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2020 £
Community Support	—	200	(200)	—	—	—
End of Life Care	—	100	(100)	—	—	—
Government Grants	—	41,249	(41,249)	—	—	—
	—	41,549	(41,549)	—	—	—

Government Grants:

This income is to support the charity with infection control and the additional costs of PPE incurred as a result of Covid-19.

Property Maintenance – a donation was made during the year to be specifically used on property maintenance costs.

24. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	947,340	—	947,340
Investments	208,389	—	208,389
Current assets	131,435	3,000	134,435
Creditors less than 1 year	(33,990)	—	(33,990)
Net assets	1,253,174	3,000	1,256,174
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	963,047	—	963,047
Investments	192,835	—	192,835
Current assets	141,039	—	141,039
Creditors less than 1 year	(46,314)	—	(46,314)
Net assets	1,250,607	—	1,250,607

Pilton House Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

25. Analysis of changes in net debt

	At 1 Jan 2021	Cash flows	At 31 Dec 2021
	£	£	£
Cash at bank and in hand	<u>121,824</u>	<u>4,935</u>	<u>126,759</u>

26. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	22,890	22,890
Later than 1 year and not later than 5 years	79,905	89,539
Later than 5 years	—	13,257
	<u>102,796</u>	<u>125,686</u>

27. Related parties

During the year ended 31 December 2021, the Trust was invoiced £2,679 (2020 £3,572) by Lineal Software Solutions Ltd, Matthew Norris, a trustee in Pilton House Trust is also a Director in Lineal Software Solutions Ltd.