

# **THE HENRY LONSDALE TRUST**

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## **Annual Report and Audited Financial Statements for the year ended 31 March 2024**

Company Registration Number: 1168707

# THE HENRY LONSDALE TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

Mr J Mallinson  
Ms J Leith  
Mrs J Riddle (Vice Chair)  
Mrs A McKerrrell  
Mrs A Glendinning (Appointed 6 June 2023)  
Mr G Mitchel (Appointed 6 June 2023)  
Miss J Whalen (Appointed 6 June 2023)

### Charity number

1168707

### Principal address

Rosehill Residential Home  
Rosehill  
Aglionby  
Carlisle  
Cumbria  
  
CA4 8AA

### Auditor

Saint & Co.  
Sterling House  
Wavell Drive  
Rosehill  
Carlisle  
CA1 2SA

### Bankers

HSBC Plc  
English Street  
Carlisle  
Cumbria  
CA3 8JX

### Solicitors

Burnetts Solicitors  
C/o Burnetts  
Victoria House  
Wavell Drive, Rosehill Industrial Estate  
Carlisle  
Cumbria  
CA1 2ST

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# THE HENRY LONSDALE TRUST

## CONTENTS

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	Page
Trustees' report	1 - 11
Statement of trustees' responsibilities	12
Independent auditor's report	13 - 16
Statement of financial activities	17
Statement of financial position	18
Statement of cash flows	19
Notes to the financial statements	20 - 34

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# THE HENRY LONSDALE TRUST

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 MARCH 2024*

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The trustees present their annual report and financial statements for the year ended 31 March 2024.

The Trustees' Annual Report covers the activities of the CIO over the period of 12 months to the 31 March in each year marking the financial year end. The CIO has since 1991 operated two residential homes for the elderly; Rosehill and Barn Close. However, Barn Close was formally closed on 23 March 2022 and formally de-registered with effect from 24 March 2022. As from that date, the CIO has operated a single home for the elderly, Rosehill.

The financial statements have been prepared in accordance with the accounting policies set out in note to the financial statements and comply with the charity's governing constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

##### **The Object of the CIO**

The object of the CIO is the relief of needy elderly people in one or more of the following ways

- by the provision and maintenance of a Home or Homes for elderly persons of limited means;
- by the provision of day and respite care centres for elderly persons of limited means;
- by the provision of financial assistance and other services for elderly persons of limited means who require those services or assistance by reason of their age and limitation of means.

##### **The Aims of the CIO**

The principal aim of the CIO has been to provide high quality, professional residential care at a Home for elderly persons of limited means at Rosehill, Carlisle. When it became actively operational (on 31 October, 2018) the CIO became responsible for the ongoing management of the Home and the Care Quality Commission ("CQC") license transferred to the CIO.

Access to the CIO's Home has been available to all elderly persons in respect of whom, following formal assessment, the CIO is satisfied that it can provide the appropriate level and type of care that the Home in question is registered to provide. Decisions as to admission to residence are made regardless of such matters such as personal background, faith or personal circumstances. Access to the facilities provided within the Home is similarly 'open to all'. Through those activities, the CIO seeks to care for such elderly persons and enhance the quality of the later stages of their lives. The care provided by the CIO is thus related to the particular needs of its beneficiaries and to the CIO's aims.

The CIO's aims are, therefore, capable of being charitable in that they fall within the descriptions of purposes in the Charities Act 2006: relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage.

The Trustees have had regard to the Charity Commission's guidance on public benefit and are satisfied that the principles of public benefit set out by the Charity Commission are met:

Principle 1: an identifiable benefit or benefits

The benefits are the provision of accommodation and care to elderly persons. The operation of a care home is a legitimate means of relieving the needs of the aged and/or infirm. Those benefits are related to the CIO's aims in that they arise as a direct result of the CIO pursuing its charitable aims. The care provided by the CIO is related to the particular needs of its beneficiaries and to the CIO's aim and all beneficiaries are assessed for care need before entering the CIO's Home.

There is no evidence of any (let alone significant) detrimental or harmful effects arising from the CIO carrying out its aims.



**THE HENRY LONSDALE TRUST**  
**TRUSTEES' REPORT (CONTINUED)**  
***FOR THE YEAR ENDED 31 MARCH 2024***

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Principle 2: benefit must be to the public or a section of the public

The CIO's primary beneficiaries are the residents in its Home. They are "needy" and "elderly". The beneficial class is, therefore, clearly appropriate to the charitable aims of the CIO as there is an obvious connection between the aim and the residents who are in need of care. There is 40 residential placements available at Rosehill. Anyone who, by reference to the registration requirements of the respective Home, was eligible to become a resident will be considered for residence.

The CIO also provides support to beneficiaries who are not resident in the Home by way of grant funding, to support the activities of Age UK Carlisle and Eden (see 2.6 below).

The opportunity to benefit is not unreasonably restricted. Indeed, the only restriction derives from the object of the CIO, which is directed at people who are "needy" and "elderly".

Geographical restriction: There is no express geographical restriction in the stated objects of the CIO that is applied to the opportunity to benefit. In practice, for obvious reasons, most of the residents are people from Carlisle. The CIO does, however, accept into its Home residents from elsewhere in the Country. This typically arises where members of the resident's family are themselves resident in or around Carlisle.

Residents' needs: As mentioned above, residents are only admitted to the Home following an assessment of their needs so as to ensure that the particular Home can provide adequate care. The need for care of each beneficiary is assessed at the time of admission. The CIO does not provide access to residence for those in need of full medical or nursing care as it is not registered to provide such care.

Charges: While the CIO does charge fees, seeking contributions to fees for residential care is expressly provided for in its founding charitable Scheme. For many years the CIO adopted, as the fee that it would seek from all residents, the fee set from time to time by Cumbria County Council as the fee that it, as Social Services Authority, paid to the CIO in respect of those residents who were funded by that Council.

In the year ending 2016, the Trustees decided with some reluctance and following consultations with residents and their families, that as a result of continuing and increasing financial pressures on the sector, the weekly fee charged to privately-funded residents would be increased by a supplement over the fee paid by the County Council in respect of Social Services funded residents.

The Trustees resolved at their meeting on 1 March 2022, that the supplement top up fee payable by privately funded residents would be £150 per week with effect from 1 April 2022.

Local authority funding can be available to meet the full fees of prospective residents who are unable to pay from their own resources. There are therefore opportunities for which those who are unable to afford the charges sought by the CIO can benefit from the CIO's provision. As such, there is no restriction based on ability to pay.

Thus, taking into account what is reasonable and appropriate in the circumstances, the Trustees are satisfied that the CIO does provide sufficient opportunity to benefit in a material way for those who cannot afford the financial contributions that it seeks from its residents towards the provision of care and facilities as provided in its founding Charitable Scheme.

Taking together the above considerations, the Trustees are satisfied that the restrictions on people who have the opportunity to benefit are rational and justifiable and that the opportunity to benefit is not unreasonably restricted by geographical or other factors.

The CIO does not provide private benefits to people other than its beneficiaries.

# THE HENRY LONSDALE TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

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### **The Objectives of the CIO**

In setting the objectives for the CIO and planning its strategies and activities referred to in this Report, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The principal objectives of the CIO can be summarised as follows:

- provision of high quality, professional residential care;
- enhanced training for all staff;
- open and accessible management and dialogue with staff;
- introduction of appropriate staff policies and training;
- improvement, refurbishment and maintenance (planned and reactive) of its Home.

### *Strategies for achieving aims and objectives*

#### **The Strategies of the CIO**

The CIO's strategies for achieving the above objectives include, for example, providing staff with such training as is necessary and appropriate both 'in-house' and through relevant external providers. The CIO's policy aim is to try to exceed the requirement of the Care Standards Act 2000 and the expectations of the Care Quality Commission ("CQC") by encouraging all care staff to achieve at least the Health Social Care Diploma Level 2. The CIO similarly aims normally to ensure that suitable training is provided for its administrative staff who are encouraged to pursue relevant courses of training. It is through a combination of the material environment and the training of staff that quality residential care is provided to the residents.

### *Public benefit*

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

### **Significant Activities**

The nature of the CIO is not such that it undertakes, in particular years, specific programmes or projects to achieve its objects and further its aims. Rather, the role and activities of the CIO are more ongoing in nature, reflecting the respective needs of the elderly persons for whom it provides care. The significance of the activities of the CIO, therefore, is that it continues to provide high quality care rather than that it undertakes any 'one-off' programmes or projects of particular importance during any particular year.

The Trustees do aim to continue to enhance the service on an ongoing basis.

### *Grant making policy*

#### **Grant-making Policy**

The original object of the CIO was directed at the provision of a residential care home. That object was amended in 1992 to include the relief of needy elderly people by the provision of financial assistance.

In accordance with this amendment the Trustees agreed, in 2016, to make a grant to Age UK Carlisle and Eden to fund a Carlisle-based Information and Advice Officer, employed by that Charity, for a period of three years expiring on the 30 June 2019.

The Trustees then agreed to make a further grant to Age UK Carlisle and Eden in the order of £86,740 to continue the service for a further period of three years commencing on the 1 July 2019. This was renewed to the 30 June 2022, and has now been renewed again in similar terms to the 30 June 2025.

As that is the only grant made by the CIO, it does not have a formal grant-making policy. Instead, the Trustees maintain close scrutiny of the service provided by receiving regular reports of its activities.

**THE HENRY LONSDALE TRUST**  
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**Achievements and performance**

*Significant activities and achievements against objectives*

**Charitable Activities: Performance against Objectives**

**(i) Formal assessment**

As mentioned above, the key objective of the CIO is to provide high quality, professional residential care. The best measure of whether the performance of the CIO achieved that objective can be drawn from the reports of formal inspections undertaken from time to time at the Home by CQC, and from less formal ongoing liaison with the CQC. The Registered Manager has maintained good links with the CQC and Cumbria County Council (the Social Services Authority) and enjoyed positive feedback in the process.

The Trustees have a system of monthly rota visits to the Home resulting in each of the Trustees undertaking two visits to the Home during the year. This arrangement was restored during the year after it had been suspended during the previous years because of COVID 19. The Chair and Vice Chair of the Trustees remained in close contact with the Registered Manager during the Year offering their close support.

**(ii) Informal assessment**

Less formal measures of the extent to which the CIO's performance achieves its objectives can be drawn, first, from the fact that places within the Home have been much sought after either by potential residents themselves or their families and professional carers and, secondly, from the many letters of appreciation that are received.

Slightly more formally, the Manager would from time-to-time issue Quality Assurance Questionnaires to residents, relatives, visitors and representatives of relevant professional agencies. A good return of the questionnaires is normally achieved with the vast majority of responses being very positive and complimentary. Negative comments have rarely been made but any that are received are swiftly looked into and resolved.

**Residential Care**

(a) Central to the activities of the CIO was the wish to continue provision of a high quality Home for elderly people to the East (Rosehill) of Carlisle.

High quality care is of increasing importance given the increasing frailty of residents coming into residential care. This remains the standard aim for the provision of care at Rosehill going forward.

(b) The CIO continues to embrace the standards for care homes laid down by the Health and Social Care Acts 2008 and 2012 to the benefit of its residents, and complies with a standard contract with Cumbria County Council, which regulates residential care services provided by the CIO.

(c) The fabric of the Home is maintained in keeping with the high standards of care provided for the residents by the CIO and its employees. The Trustees keep this under regular review and approve funding for refurbishment of the Homes as and when a potential and/or actual need is identified.

(d) Improved and innovative activity programmes and measures to provide enjoyment and stimulation for residents and their carers at the Home have always received a high priority.

(e) The CIO has continued its policy (unlike many other residential care homes) of not charging residents for basic toiletries.

(f) Residents at the Home have continued to present as being increasingly frail thus needing extra support from staff. Unsurprisingly, this has led to an increased call on the time and expertise of staff to ensure that the requisite standards were maintained and this has been carefully and appropriately managed.

# THE HENRY LONSDALE TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

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#### Staffing

(a) The CIO has a Registered Manager for the Care Home who acted in relation to day-to-day management issues affecting the CIO as a whole. They were answerable in relation to the budgets for the Home and had power to spend up to £5,000 on a single item or a combination of related items; albeit with spending monitored by the Chair.

(b) The maintenance of an effective administration system falls within the remit of the Senior Administrator under the supervision of the sole Registered Manager.

(c) The CIO considers training of staff to be an important priority. The CIO has previously set a target that all care staff (as opposed to the 50% referred to in the National Minimum Care Standards) should be trained to the Health and Social Care Diploma Level 2 (which replaced NVQ Level 2 in January 2011).

(d) Additionally, one Domestic Assistant has achieved the Level 1 qualification, and all Care Officers have achieved at least the former NVQ Level 3 award. Due to recruitment difficulties, the Trust has relaxed its requirement that all newly appointed night care staff should already hold the Level 2 qualification, and in contrast to previously, neither Deputy Manager currently holds an NVQ level 4 or Residential Manager's Award. All employed staff who do not have an NVQ2/Diploma level 2 are required to undertake the Care certificate, and are given the opportunity to gain an NVQ/Diploma in Health and Social Care. A policy of continuous staff improvement remains a high priority.

(e) More generally, ongoing mandatory and other training has been provided to staff in respect of, for example, first-aid, fire prevention and fire warden, challenging behaviour, dementia awareness, bereavement awareness, a CHESS (Care Home Effective Support Service) education programme, control of infection, nutrition and malnutrition, safeguarding vulnerable adults, safe handling and administration of medication, food hygiene, handling and lifting, end of life care, palliative care and equality and diversity. Additionally, the few staff who do not hold Health and Social Care Diploma complete the Care Certificate qualification. All in all, there is no member of the CIO's staff who has not participated in some form of training during the year. The practice of 'Train the Trainer' (whereby key staff attend external training and then roll out or 'cascade' what they have learned to other staff) has been particularly beneficial in that when staff who have been trained then provide training to other staff, money that would have been spent on an external training provider is saved and, importantly, the training is better suited to the staff as it is focused upon their working environment.

(f) The CIO has traditionally been considered to be a good employer, and its wage and salary structure has normally found it operating at above average for the industry. The Trustees paid staff a Christmas Bonus.

(g) The CIO has participated in the Care Apprentice Scheme to the mutual benefit of the CIO and the individuals concerned.

(h) The CIO had been looking to expand its in-house maintenance provision, the Trustees will be undertaking a comprehensive review of needs going forward. This is ongoing.

**THE HENRY LONSDALE TRUST**  
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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Finance and Administration

- (a) The CIO's expenditure is carefully monitored during the year.
- (b) Financial contributions from residents towards their care have been maintained in line with the policies of Cumbria County Council, although (as described above) the weekly supplement charged to privately-funded residents in excess of the amount paid by Cumbria County Council for Social Services residents was reviewed and further amended effective from 1 April 2022. In this regard, consideration is given at all times to the charitable status of the CIO and its objects.
- (c) The Trust's Financial Statements have continued to be professionally audited with nothing untoward being noted in respect of either income or expenditure. The Trust made a surplus of £1,636,590 for the year ending 31 March 2024.
- (d) The Trustees have continued to attend to various matters pursuant to SORP 2019: for example, Risk Assessment, Investment Policy and Policy on Reserves.
- (e) The Trustees continue to review the investment strategy with guidance and information from their Investment Adviser. (See further details below).
- (f) In October 2017, the Trustees undertook a financial review of Trust priorities as a result of the growing discrepancy between the real costs of providing residential care and the fees charged. This differential resulted from a number of external factors; not the least of which was the more restricted contributions which the local authority felt constrained to make in relation to its nominated residents. This resulted in policy changes to the fee structure and the payment of a supplement by private fee paying residents.
- (g) The rate paid by local authorities for residents placed by them with third party residential care providers has become increasingly problematical, and increasingly divorced from the real cost of providing care.
- (h) The CIO is a charity and is not required to make a profit. Its duty is to fulfil the aims of the Trust making decisions which are designed to best achieve the aims of the Trust and meet the needs of the beneficiaries. The provision of residential care for the elderly in need is only one of the permitted purposes under the Trust. Going forward, the Trustees will keep under close review the question of how best to achieve the aims of the Trust to the maximum the benefit to the beneficiaries.
- (i) The Trustees keep under review the rates of pay payable to staff, and the terms and conditions employment, with the aim of being a good and fair employer within the sector.

Property & Premises

- (a) The Trustees have continued their stewardship of the CIO's buildings and estate through an ongoing programme of refurbishment and building maintenance.
- (b) The Trustees have continued to address a number of other property-related issues away from the main estate comprising, the Rosehill Home.
- (c) The Trustees entered into an Option Agreement in 2015 with a local housing developer to sell part of the CIO's investment land and took advice from specialised Chartered Surveyors to ensure the Trust's interests were maximised. This progressed more slowly than expected with the planning process still incomplete by the expiry of that option, and the developer renewed the option.

2021 saw a change in market conditions which allowed the developer to proceed with its plans and seek to agree a purchase of the land. The Trustees took professional advice for the purpose of the negotiations and at a specially convened meeting of the Trustees on 20 April 2021, the Trustees approved the terms for the sale of the land to the developer. The current target, subject to planning permissions etc. The Trustees receive regular reports on progress and completion is now expected in the financial year 2024/2025.

*Significant factors*

**THE HENRY LONSDALE TRUST**  
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**External Factors**

There are a number of factors outside the CIO's control, which are relevant to the achievement of its objectives. These include relationships with employees, residents, their families, other carers and professionals, Cumbria County Council (as social services authority), social workers and other employees of that Council and the CIO's position in the wider community. It is pleasing to note that the relationships with all these individuals and organisations are good.

The CIO maintains close contact with the Care Quality Commission (CQC) from whom it receives very good and positive feedback, and which is always available for advice and support.

As mentioned above, a particular influence of the County Council is that it fixes the fees that it will pay towards the care and accommodation provided by the CIO to residents supported by that Council. The CIO is not in a position to influence the level of fee that is set by the County Council. This fee also impacts upon the contribution that is sought from all other privately funded residents towards the costs of their residence as it provides the base level to which is added the supplement payable by privately funded residents.

The concern remains that as the aged population increases, and the likely number of those needing residential care in the future also significantly increases, the gap between what the County Council is willing and/or able to pay, and the actual cost of providing care is likely to grow wider. This will require the Trustees to keep under careful review whether maintaining a residential care home remains the best and/or most cost effective way of meeting the aims of the Trust.

*Investment performance*

Investments: Performance against Objectives by the Trustees

The Trustees long standing objective for its investments has been to try to protect the value of the Trust's capital whilst aiming for some capital growth and a competitive income. The Trust had previously invested principally in two funds: CCLA and Premier Asset Management. The investments were largely a mix of different asset classes including shares which, understandably, resulted in occasional volatility from time to time. The need for astute financial management has become even more acute, firstly, because of the recent history of low interest rates, and secondly (and more up to date), because of the likely impact of COVID 19 and the impact on investments. The need for good advice is even more acute given the forecast that recession is possible in 2025.

Trustees have taken regular guidance from their investment adviser as and when cash is needed and/or when investments reach their maturity date. In 2018/2019, the advisor advised a change in the investment portfolio. He recommended investments in three funds, a Defensive Income Securities Fund, a Social Freehold Fund and a Commercial Freehold Fund, and the Trustees considered and accepted his advice in that respect.

In the course of 2019/2020, the adviser invested the funds with Time Investments in accordance with his recommendations and the Trustees approval. He provides regular reports on their performance to the Trustees at their quarterly meetings for their consideration and review.

**Financial review**

A detailed breakdown of the CIO's funds is contained in the Financial Statements with a narrative at notes 23-25.

Total funds of £4,575,331 were held at the year-end of which £1,344,288 can only be realised by disposing of tangible fixed assets. As Note 23 explains, within the unrestricted funds, the Trust had designated funds of £125,183 as at 31 March 2024. This was to make provision for and enable any future unforeseen emergency repairs. After accounting for the above, this leaves unallocated reserves which are available for use by the CIO totalling £3,105,860.

Unallocated reserves are available for use by the CIO totalling £3,105,860.

**THE HENRY LONSDALE TRUST**

**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2024**

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*Reserves policy*

The policy of the CIO is to attempt to maintain sufficient unallocated reserves representing approximately one year's total operating costs (which this year amounted to £2,039,722 (excluding depreciation)) on the basis of the time that might be necessary to reconstruct the residential Homes following a major incident and the costs relating thereto, particularly in connection with the temporary accommodation of residents.

The level of reserves is monitored and reviewed by the Trustees as necessary and at least once each year.

*Principal funding sources*

**Principal Funding Sources**

The CIO's principal source of funding was the contributions that were received from residents (or from local authorities on behalf of residents) towards the fees of providing them with accommodation and care. The whole of the CIO's expenditure in the year has supported the objectives of the CIO principally the key objective of providing high quality residential care. The greater part of the expenditure is directly related to the provision of such care (primarily staff wages and salaries) with lesser amounts (such as in relation to staff training, maintenance of the fabric of the Homes and management and administration of the CIO) being indirectly related to that objective. As already described above the CIO does make a grant award to Age UK Carlisle and Eden to support for non-residential beneficiaries.

During the current and prior year the CIO did not carry out any significant fundraising activities.

*Investment policy*

**Investment Powers**

The Scheme authorises the Trustees to make and hold investments using the general funds of the CIO. At 31 March 2024, investments were held within 4 separate funds with 2 investment companies. Under the terms of the Statement of Recommended Practice, Accounting by Charities, the investments were revalued and as at 31 March 2024 stood at a total market value of £409,564. This comprised listed investments at nil and other investments at £409,564.

*Major risks*

**Indemnity Insurance**

The CIO purchased trustee indemnity insurance as part of their main insurance policy, and therefore the trustees have been unable to determine the associated cost this year.

**Policy Considerations**

The Trustees are always mindful of their obligations as trustees to act in the best interests of the CIO and to meet the CIO's objectives. Trustees have been very alert to the increasing financial pressures in the sector and have stressed the importance of careful scrutiny of expenditure. In July 2017, the Trustees reiterated those aims by formally adopting the principle of looking at best value from the Trust's service providers, and that policy has continued to be implemented to date.

**THE HENRY LONSDALE TRUST**

**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2024**

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**Plans for future periods**

In looking to the future, it is necessary to put the future in the context of the recent past.

The history of the CIO shows that it acquired its second residential Care Home (Barn Close) in 1991 and that it increased the provision of residential care at its first Care Home (Rosehill). In the time that followed, the CIO continued a phase of consolidation and stability. Its fundamental aim was to pursue, on an ongoing basis, its principal activity of providing high-quality residential care. In due course, the CIO added to its activities the making of a grant to Age UK Carlisle and Eden to provide a counselling and advice service to the elderly.

The CIO has reverted to operating a single residential care home, Rosehill. In addition to this activity, the CIO continues to fund the work of Age UK Carlisle and Eden with a commitment to making grants for a further three year period to 2025. At the time of this Report, the recent experience of the Rosehill home has been that recruitment and retention of staff has improved.

The CIO is a charity and is not governed by the same profit motive. That having been said, the Charity has a constant duty to act in a way which best meets the needs of the Trust and its beneficiaries. The aim of the CIO is to continue to operate the Rosehill home as it has done since the inception of the Trust. The provision of residential care for the needy elderly is however only one of the permitted activities of the Trust. If the disconnect between local authority funding and the real cost of provision continues to grow, the CIO will need to review whether it's purpose can be better and more cost effectively be met through any of the other permitted activities.

**Structure, governance and management**

**The Governing Document and the Constitution of the CIO**

The CIO is a charitable incorporated organisation and is governed by a constitution dated 10th August 2016. It was set up to take over from The Henry Lonsdale Charitable Trust (charity number 508840). The transfer of the assets from the predecessor charity to the CIO took place on 31st October 2018. The charitable purposes of the CIO are identical to those of the unincorporated charity. The Henry Lonsdale Charitable Trust was formally merged with the CIO on the 5 October 2020 and the predecessor Trust ceased to exist from that date.

The information in this Trustees' Report relates to the period from 1 April 2023 to the 31 March 2024, the fourth full year of operation of the CIO.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mrs C Bowditch	(Resigned 6 June 2023)
Mr J Mallinson	
Ms J Leith	
Mrs J Riddle (Vice Chair)	
Mrs A McKerrell	
Mr C Stothard	(Resigned 1 October 2023)
Mrs A Glendinning	(Appointed 6 June 2023)
Mr G Mitchel	(Appointed 6 June 2023)
Miss J Whalen	(Appointed 6 June 2023)



# THE HENRY LONSDALE TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

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#### *Recruitment and appointment of trustees*

##### **Appointment of Trustees**

There should be not less and not more than three appointed Trustees; and not less and not more than four Nominated Trustees. Cumbria County Council or any successor body which has responsibility for adult social care ("the appointing body") is entitled to appoint four Nominated Trustees, each appointment being for a term of three years.

Apart from the first Charity Trustees, every appointed Trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the Charity Trustees. In selecting individuals for appointment as appointed Charity Trustees, the Charity Trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

All newly appointed Trustees undertake induction and training as appropriate to their needs. This includes guided visits to the Home operated by the CIO and to its administrative headquarters to view the properties, meet the residents and staff and become familiar with the aims of the CIO and its ethos. Additionally, new Trustees are provided with a copy of the most recent Annual Report of the CIO and are sent copies of its policies and procedures relating both to residents and staff. When a Trustee's term of appointment expires, assuming he/she is willing to continue to act and remains eligible to do so, the Trustee is asked to confirm that there has been no change in his/her circumstances which would affect his/her ability to act as well as confirming that he/she is able to take up re-appointment from the relevant date.

A compliance file in respect of each Trustee is held at the Home. Enhanced Disclosure and Barring Service checks are obtained in respect of each Trustee.

On 9 March 2022, Cumbria County Council re-appointed the four existing Nominated Trustees for a further term of three years on expiry of their current terms in 2022. These appointments were confirmed by the Trustees of the CIO at their meeting on 7 June 2022. At the same meeting, the Trustees re-appointed two existing Appointed Trustees for further terms of three years on expiry of their current terms in 2022. The net effect is that the six re-appointed Trustees will hold office until dates in 2025. Under the current constitution of the CIO, this will be their final terms of office.

Following the change in the unitary authority from April 2023, Cumberland Council (successor to Cumbria County Council) replaced three of the four nominated trustees which had been formally appointed in the 7 June 2022 trustee meeting, ending their terms of office sooner than the planned term to 2025.

The Trustees of the CIO are actively considering succession planning to provide for a measured and planned transition to the Trustees who will follow.

#### *Organisational structure*

##### **Organisational and Decision-Making Structure**

The CIO's residential home was managed by a Registered Manager to whom operational decisions are devolved. Ultimate responsibility rests with the Trustees, who take all decisions, related to the policy and strategy of the CIO.

All matters requiring Trustee consideration and/or decision are brought to meetings of the Trustees. Trustees meet as and when required, but typically there is a quarterly meeting schedule.

#### *Other matters*

##### **Risk Management**

The major risks to which the CIO is exposed, as identified by the Trustees, have been subjected to detailed consideration. Systems and procedures have been established to mitigate those risks.

**THE HENRY LONSDALE TRUST**  
**TRUSTEES' REPORT (CONTINUED)**  
***FOR THE YEAR ENDED 31 MARCH 2024***

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

Mr J Mallinson  
**Trustee**

Mrs J Riddle (Vice Chair)  
**Trustee**

13 November 2024

# **THE HENRY LONSDALE TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2024***

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The trustees 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).

The law applicable to charities in England and Wales 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 of the charity 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 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 sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

# THE HENRY LONSDALE TRUST

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE HENRY LONSDALE TRUST

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#### Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, 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 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.

#### 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 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.

# THE HENRY LONSDALE TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE HENRY LONSDALE TRUST

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, 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 cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

# THE HENRY LONSDALE TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE HENRY LONSDALE TRUST

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- To address the risk of fraud through management bias and override of controls, we:
  - performed analytical procedures to identify any unusual or unexpected relationships;
  - tested journal entries to identify unusual transactions;
  - assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies 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;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, the Charity Commission and the company's legal advisors.

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

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

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

# THE HENRY LONSDALE TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE HENRY LONSDALE TRUST

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### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Saint & Co.**

13 November 2024

**Chartered Accountants &  
Statutory Auditor**

Sterling House  
Wavell Drive  
Rosehill  
Carlisle  
CA1 2SA

Saint & Co. is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# THE HENRY LONSDALE TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2024**

		Unrestricted funds general 2024 £	Unrestricted funds Designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds Designated 2023 £	Total 2023 £
	Notes						
<b>Income and endowments from:</b>							
Donations and legacies	3	8,230	-	8,230	5,808	-	5,808
Charitable activities	4	1,967,465	-	1,967,465	1,716,960	-	1,716,960
Investments	5	36,783	-	36,783	33,296	-	33,296
Other income	6	55,267	-	55,267	44,319	-	44,319
<b>Total income</b>		<b>2,067,745</b>	<b>-</b>	<b>2,067,745</b>	<b>1,800,383</b>	<b>-</b>	<b>1,800,383</b>
<b>Expenditure on:</b>							
Charitable activities	7	2,125,136	-	2,125,136	1,978,965	-	1,978,965
Other expenditure	13	2,855	-	2,855	-	-	-
<b>Total expenditure</b>		<b>2,127,991</b>	<b>-</b>	<b>2,127,991</b>	<b>1,978,965</b>	<b>-</b>	<b>1,978,965</b>
Net gains/(losses) on investments	14	1,683,252	13,584	1,696,836	(39,584)	(824)	(40,408)
<b>Net income/(expenditure) and movement in funds</b>		<b>1,623,006</b>	<b>13,584</b>	<b>1,636,590</b>	<b>(218,166)</b>	<b>(824)</b>	<b>(218,990)</b>
<b>Reconciliation of funds:</b>							
Fund balances at 1 April 2023		2,827,142	111,599	2,938,741	3,045,308	112,423	3,157,731
<b>Fund balances at 31 March 2024</b>		<b>4,450,148</b>	<b>125,183</b>	<b>4,575,331</b>	<b>2,827,142</b>	<b>111,599</b>	<b>2,938,741</b>

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 20 to 34 form part of these financial statements.



# THE HENRY LONSDALE TRUST

## STATEMENT OF FINANCIAL POSITION

**AS AT 31 MARCH 2024**

	Notes	2024 £	£	2023 £	£
<b>Fixed assets</b>					
Tangible assets			1,344,288		1,419,224
Investment property			2,950,000		1,250,000
Investments			409,564		437,727
			<u>4,703,852</u>		<u>3,106,951</u>
<b>Current assets</b>					
Debtors		54,553		43,366	
Cash at bank and in hand		239,092		138,252	
		<u>293,645</u>		<u>181,618</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(422,166)</u>		<u>(349,828)</u>	
<b>Net current liabilities</b>			<u>(128,521)</u>		<u>(168,210)</u>
<b>Total assets less current liabilities</b>			<u>4,575,331</u>		<u>2,938,741</u>
<b>Net assets excluding pension liability</b>			<u>4,575,331</u>		<u>2,938,741</u>
			<u><u>4,575,331</u></u>		<u><u>2,938,741</u></u>
<b>The funds of the charity</b>					
Unrestricted funds - General			4,450,148		2,827,142
Unrestricted funds - Designated			125,183		111,599
			<u>4,575,331</u>		<u>2,938,741</u>
			<u><u>4,575,331</u></u>		<u><u>2,938,741</u></u>

The notes on form part of these financial statements.

The financial statements were approved by the trustees on 13 November 2024

Mr J Mallinson  
Trustee

Mrs J Riddle (Vice Chair)  
Trustee

# THE HENRY LONSDALE TRUST

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	29		52,390		(201,956)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(13,333)		(19,762)	
Proceeds from disposal of investments		25,000		129,999	
Investment income received		36,783		33,296	
<b>Net cash generated from investing activities</b>			48,450		143,533
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			100,840		(58,423)
Cash and cash equivalents at beginning of year			138,252		196,675
<b>Cash and cash equivalents at end of year</b>			239,092		138,252

The notes on pages 20 to 34 form part of these financial statements.

**THE HENRY LONSDALE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2024**

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**1 Accounting policies**

**Charity information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Rosehill Residential Home, Aglionby, Carlisle, Cumbria, CA4 8AA.

**1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The trustees have discretion to allocate funds to particular resources as they so wish. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds, of which there were none, are those resources where the income and related expenditure are not available for general use, but are to be used in accordance with the specific wishes of the donor or which have been raised by the charity for a particular purpose.

**1.4 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# THE HENRY LONSDALE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

### **1 Accounting policies**

**(Continued)**

The following specific policies are applied to particular categories of income:

- Income from Social Services Department of Cumbria County Council, relating to the residents fees, is accounted for on an accruals basis.
- Income from private residents is accounted for on an accruals basis.
- Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.
- Income from donations is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- 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.

#### **1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### **1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Over 50 years
Fixtures and fittings	15% reducing balance
Equipment (Energy Generating)	Over 20 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### **1.7 Investment property**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

#### **1.8 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

# THE HENRY LONSDALE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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### 1 Accounting policies

(Continued)

#### 1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.10 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.

#### 1.11 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.

#### 1.12 Employee benefits

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

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

# THE HENRY LONSDALE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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### 1 Accounting policies (Continued)

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year as follows:

- The trustees have estimated the useful economic lives of the categories of assets.
- The trustees have estimated the fair value of investment land and property, further details are included in note 17 to the accounts.

### 3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	8,230	42
Donated goods and services	-	5,766
	<u>8,230</u>	<u>5,808</u>

In 2024, Donations and gifts related to fundraiser collection for purchase of a minibus.

In 2023, donated goods and services related to PPE provided at no charge from the local authority in response to the Covid-19 pandemic.

# THE HENRY LONSDALE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

### 4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<b>Charitable activities</b>		
Sale of goods	877,600	879,774
Services provided under contract	1,089,865	837,186
	<u>1,967,465</u>	<u>1,716,960</u>

### 5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	19,129	18,390
Other income	17,654	14,906
	<u>36,783</u>	<u>33,296</u>

### 6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Energy Generation Income	<u>55,267</u>	<u>44,319</u>

# THE HENRY LONSDALE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 7 Expenditure on charitable activities

	Total 2024 £	Total 2023 £
<b>Direct costs</b>		
Staff costs	1,453,186	1,310,001
Depreciation and impairment	85,414	87,868
Food & Medical supplies	96,507	92,832
Other employee benefits	1,200	3,153
Home running costs	197,674	168,684
Home maintenance costs	70,359	89,787
Registration Fees	5,779	9,246
Staff training	5,730	7,628
	<u>1,915,849</u>	<u>1,769,199</u>
Grant funding of activities (see note 8)	30,158	29,920
<b>Share of support and governance costs (see note 9)</b>		
Support	147,402	128,021
Governance	31,727	51,825
	<u>2,125,136</u>	<u>1,978,965</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	<u>2,125,136</u>	<u>1,978,965</u>

#### 8 Grants payable

	2024 £	2023 £
Grants to institutions:		
Age UK Carlisle and Eden	<u>30,158</u>	<u>29,920</u>



# THE HENRY LONSDALE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 9 Support costs allocated to activities

	Total 2024 £	Total 2023 £
Staff costs	130,243	111,086
Accountancy	6,552	8,035
Other office costs	4,070	3,280
Bank charges	916	528
Insurance	3,001	3,873
Sundry expenses	2,427	970
Travel expenses	193	249
Governance	31,727	51,825
	<u>179,129</u>	<u>179,846</u>

	2024 £	2023 £
<b>Governance costs comprise:</b>		
Staff costs	5,224	4,535
Audit fees	6,300	5,754
Accountancy	6,913	8,727
Legal and professional	13,290	32,809
	<u>31,727</u>	<u>51,825</u>

#### 10 Net movement in funds

	2024 £	2023 £
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	6,300	5,754
Depreciation of owned tangible fixed assets	85,414	87,868
Loss on disposal of tangible fixed assets	2,855	-
Operating lease charges	25,398	22,162
	<u>119,967</u>	<u>115,784</u>

#### 11 Trustees

None of the trustees were entitled to or received any remuneration during the year. During the year, no trustees were reimbursed for travelling expenses. Trustees indemnity insurance was purchased by the Trust.

# THE HENRY LONSDALE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Care, Domestic & Admin staff	74	79
Management Staff	2	2
	<hr/>	<hr/>
Total	76	81
	<hr/>	<hr/>

Employment costs	2024 £	2023 £
Wages and salaries	1,459,390	1,304,324
Social security costs	100,383	94,831
Other pension costs	28,880	26,467
	<hr/>	<hr/>
	1,588,653	1,425,622
	<hr/>	<hr/>

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

#### Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	58,067	55,983
	<hr/>	<hr/>

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity.

#### 13 Other expenditure

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net loss on disposal of tangible fixed assets	2,855	-
	<hr/>	<hr/>

# THE HENRY LONSDALE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 14 Gains and losses on investments

	Unrestricted funds general 2024	Unrestricted funds Designated 2024	Total 2024	Unrestricted funds general 2023	Unrestricted funds Designated 2023	Total 2023
	£	£	£	£	£	£
Gains/(losses) arising on:						
Revaluation of investments	(16,622)	13,584	(3,038)	(39,054)	(824)	(39,878)
Sale of investments	(126)	-	(126)	(530)	-	(530)
Revaluation of investment properties	1,700,000	-	1,700,000	-	-	-
	<u>1,683,252</u>	<u>13,584</u>	<u>1,696,836</u>	<u>(39,584)</u>	<u>(824)</u>	<u>(40,408)</u>

### 15 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

### 16 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Equipment (Energy Generating)	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2023	885,766	203,167	666,505	1,755,438
Additions	-	13,333	-	13,333
Disposals	-	(5,275)	-	(5,275)
At 31 March 2024	<u>885,766</u>	<u>211,225</u>	<u>666,505</u>	<u>1,763,496</u>
<b>Depreciation and impairment</b>				
At 1 April 2023	124,596	79,676	131,942	336,214
Depreciation charged in the year	28,210	19,339	37,865	85,414
Eliminated in respect of disposals	-	(2,420)	-	(2,420)
At 31 March 2024	<u>152,806</u>	<u>96,595</u>	<u>169,807</u>	<u>419,208</u>
<b>Carrying amount</b>				
At 31 March 2024	<u>732,960</u>	<u>114,630</u>	<u>496,698</u>	<u>1,344,288</u>
At 31 March 2023	<u>761,170</u>	<u>123,491</u>	<u>534,563</u>	<u>1,419,224</u>

# THE HENRY LONSDALE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 17 Investment property

	£
<b>Fair value</b>	
At 1 April 2023	1,250,000
Net gains or losses through fair value adjustments	1,700,000
	<hr/>
At 31 March 2024	2,950,000
	<hr/>

The trustees have considered the valuation of the land and buildings surrounding, but not occupied by, the Rosehill Residential Home, with advice from their land agents. The trustees have historically estimated the value of investment land and buildings to be in the region of £1,250,000. This valuation is based on an estimated price per acre for Agricultural land and also for the development land and an expected yield basis for the rented property. Due to the sale of part of the land after the year end, the estimated price per acre has been updated to reflect the current market value of the land being £1,700,000 more than estimated. Therefore the fair value of investment land and buildings at year end is estimated to be in the region of £2,950,000.

	2024 £	2023 £
Freehold	2,950,000	1,250,000
	<hr/>	<hr/>

#### 18 Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2023	437,727
Valuation changes	(3,037)
Disposals	(25,126)
	<hr/>
At 31 March 2024	409,564
	<hr/>
<b>Carrying amount</b>	
At 31 March 2024	409,564
	<hr/>
At 31 March 2023	437,727
	<hr/>

All investments shown above are held at valuation.

# THE HENRY LONSDALE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 18 Fixed asset investments

(Continued)

#### Fixed asset investments revalued

All investments have been valued at fair value being their market value at the Balance Sheet date, for the COIF funds this has been provided by the fund at the year end date.

This historic cost of the investments is £346,832 (2023: £373,280)

### 19 Debtors

	2024	2023
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	9,394	15,893
Prepayments and accrued income	45,159	27,473
	<u>54,553</u>	<u>43,366</u>

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

	Notes	2024	2023
		£	£
Other taxation and social security		20,566	17,753
Deferred income	21	213,611	189,366
Trade creditors		30,524	35,951
Other creditors		7,778	4,660
Accruals		149,687	102,098
		<u>422,166</u>	<u>349,828</u>

### 21 Deferred income

	2024	2023
	£	£
Other deferred income	<u>213,611</u>	<u>189,366</u>

Deferred income includes fee and rental income relating to the following year but received in advance and a land option fee for the sale of a parcel of land which is expected to complete in 2024/25.

	2024	2023
	£	£
Deferred income is included within:		
Current liabilities	<u>213,611</u>	<u>189,366</u>
Movements in the year:		

# THE HENRY LONSDALE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

<b>21</b>	<b>Deferred income</b>		<b>(Continued)</b>
	Deferred income at 1 April 2023	189,366	187,604
	Released from previous periods	(59,366)	(57,604)
	Resources deferred in the year	83,611	59,366
		<u>          </u>	<u>          </u>
	Deferred income at 31 March 2024	213,611	189,366
		<u>          </u>	<u>          </u>

<b>22</b>	<b>Retirement benefit schemes</b>	<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
	<b>Defined contribution schemes</b>		
	Charge to profit or loss in respect of defined contribution schemes	28,880	26,467
		<u>          </u>	<u>          </u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

## 23 Unrestricted funds - Designated

These are unrestricted funds which are material to the charity's activities.

The trust has designated funds to enable future, unforeseen, emergency repairs. These funds have been invested with CCLA. These funds are unrestricted and amounted to £125,183 (2023: £111,599) at the balance sheet date.

	<b>At 1 April 2023</b>	<b>Gains and losses</b>	<b>At 31 March 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Designated Funds	111,599	13,584	125,183
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Previous year:</b>	<b>At 1 April 2022</b>	<b>Gains and losses</b>	<b>At 31 March 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Designated Funds	112,423	(824)	111,599
	<u>          </u>	<u>          </u>	<u>          </u>

The trust has designated funds to enable future, unforeseen, emergency repairs. These funds have been invested with CCLA.

# THE HENRY LONSDALE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 24 Unrestricted funds - General

	At 1 April 2023	Incoming resources	Resources expended	Gains and losses	At 31 March 2024
	£	£	£	£	£
General funds	2,827,142	2,067,745	(2,127,991)	1,683,252	4,450,148
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Previous year:</b>	<b>At 1 April 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains and losses</b>	<b>At 31 March 2023</b>
	£	£	£	£	£
General funds	3,045,308	1,800,383	(1,978,965)	(39,584)	2,827,142
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

#### 25 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Total	Unrestricted funds	Designated funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Fund balances at 31 March 2024 are represented by:						
Tangible assets	1,344,288	-	1,344,288	1,419,224	-	1,419,224
Investment properties	2,950,000	-	2,950,000	1,250,000	-	1,250,000
Investments	409,564	-	409,564	326,128	111,599	437,727
Current assets/(liabilities)	(128,521)	-	(128,521)	(168,210)	-	(168,210)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	4,575,331	-	4,575,331	2,827,142	111,599	2,938,741
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# THE HENRY LONSDALE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

### 26 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	24,776	21,581
Between two and five years	92,214	82,338
In over five years	22,531	36,244
	<u>139,521</u>	<u>140,163</u>

### 27 Other financial commitments

The trust has entered into a 3 year agreement with Age UK Carlisle and Eden for them to provide information and advice to residents in Carlisle. This runs until June 2025. Expected expenditure in the next year is £30,688 and within 2-5 years is £7,691.

### 28 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

### 29 Cash generated from operations

	2024 £	2023 £
Surplus/(deficit) for the year	1,636,590	(218,990)
Adjustments for:		
Investment income recognised in statement of financial activities	(36,783)	(33,296)
Loss on disposal of tangible fixed assets	2,855	-
Loss on disposal of investments	126	530
Fair value gains and losses on investment properties	(1,700,000)	-
Fair value gains and losses on investments	3,038	39,878
Depreciation and impairment of tangible fixed assets	85,414	87,868
Movements in working capital:		
(Increase) in debtors	(11,187)	(12,512)
Increase/(decrease) in creditors	48,092	(67,196)
Increase in deferred income	24,245	1,762
<b>Cash generated from/(absorbed by) operations</b>	<u>52,390</u>	<u>(201,956)</u>



# **THE HENRY LONSDALE TRUST**

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

***FOR THE YEAR ENDED 31 MARCH 2024***

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**30 Analysis of changes in net funds**

The charity had no material debt during the year.

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