

CUMBRIA COMMUNITY HOMES

England & Wales · Charity number 1184991

Details

Status Registered

Legal form Charitable company

Company number [12068336](#)

Registered 2019-08-21

Register [View on the Charity Commission register](#)

Contact

Address 37 Riverside Gardens
Barrow-In-Furness
LA13 0DD

Phone 07764290608

Email EMMAJANEHUGHES@MAC.COM

Activities

Objects: THE CHARITY IS FORMED FOR THE BENEFIT OF THE COMMUNITY. ITS CHARITABLE OBJECTS ('THE OBJECTS') SHALL BE TO CARRY ON FOR THE BENEFIT OF THE COMMUNITY:(1) THE BUSINESS OF PROVIDING AND MANAGING HOUSING, INCLUDING SOCIAL HOUSING, AND PROVIDING ASSISTANCE TO HELP HOUSE PEOPLE AND ASSOCIATED FACILITIES, AMENITIES AND SERVICES FOR PERSONS IN NEED BECAUSE OF YOUTH, AGE, ILL-HEALTH, DISABILITY, FINANCIAL HARDSHIP OR OTHER DISADVANTAGE;(2) SUCH OTHER EXCLUSIVELY CHARITABLE PURPOSES ACCORDING TO THE LAW OF ENGLAND AND WALES AS DETERMINED BY THE TRUSTEES.

Activities: Significant activitiesTo provide good quality accommodation to vulnerable adults in the community meeting their individual needs. We helppeople in Barrow, Ulverston, Askam and Kendal and are looking to expand into other areas in the future.To help those who are homeless or at risk of homelessness, individuals who struggle with mental or physical health orwith a learning difficulty.

Classification

- **How:** Other Charitable Activities
- **What:** General Charitable Purposes, Disability, Accommodation/housing
- **Who:** People With Disabilities, The General Public/mankind

Geography

- Cumbria

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30		-	-	-
2024-06-30	£4,267,072	£4,159,025	£-276,425	39
2023-06-30	£4,126,803	£4,420,811	£-384,472	31
2022-06-30	£3,061,765	£3,154,116	£-90,464	28
2021-06-30	£1,296,254	£1,289,661	£1,887	15
2020-06-30	£256,307	£255,946	-	-

Trustees

Name	Role	Appointed
Emma Jane Stones		2021-02-26

CUMBRIA COMMUNITY HOMES

England & Wales - Charity number 1184991

Accounts

**STRATEGIC REPORT, REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024
FOR
CUMBRIA COMMUNITY HOMES**

Collards
Chartered Accountants
Statutory Auditor
5-9 Eden Street
Kingston-upon-Thames
Surrey
KT1 1BQ

CUMBRIA COMMUNITY HOMES

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

	Page
Strategic Report	1 to 4
Report of the Trustees	5 to 6
Report of the Independent Auditors	7 to 8
Statement of Financial Activities	9
Balance Sheet	10
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13 to 19
Detailed Statement of Financial Activities	20 to 21

CUMBRIA COMMUNITY HOMES
STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2024

The trustees present their strategic report for the year ended 30 June 2024.

REVIEW OF BUSINESS
OBJECTIVES AND ACTIVITIES

The charity's objectives contained within the memorandum and articles of association, is to carry out for the benefit of the community, the business of providing and managing housing, including Social Housing, and providing assistance to help house people and associated facilities, amenities and services for persons in need because of youth, age, ill-health, disability, financial hardship or other disadvantage.

Significant activities

We provide good quality accommodation to vulnerable adults in the community meeting their individual needs.

We provide tenancy related care, support and supervision in a person-centred way enabling the enhancement and development of life skills, personal growth, independence, choice, and control.

We help those who are homeless or at risk of homelessness, individuals who struggle with mental or physical health or with a learning difficulty, those who are in recovery from substance misuse and people who are fleeing domestic violence.

We offer one to one financial support with personal budgets and provide a mentor for helping plan daily activities surrounding their tenancies such as meal planning, domestic duties and we signpost and support individuals with opportunities to socialise within the local community.

Our underpinning ethos is to develop an individual's capacity to live independently in the community and to develop or sustain basic life skills needed to hold down a tenancy or maintain a home.

Values

Trust

We build relationships on trust and keep our promises, to meet the expectations of tenants and be honest if we can't.

Integrity

We practice providing a quality service with integrity and sensitivity.

Non-judgemental

We listen to and meet the needs of everyone in a non-judgemental way.

Teamwork

We constantly look at ways to improve and deliver our service.

Empathy

We put ourselves in other people's shoes.

Positive attitude

We practice with a problem-solving approach.

History

The business was incorporated on 25th June 2019, and became registered as a charity on 21st August 2019.

CCH has since grown into one of the leading Housing Support providers across Cumbria, parts of Lancashire, the North-East, Lincolnshire and West Yorkshire.

CUMBRIA COMMUNITY HOMES
STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2024

ACHIEVEMENT AND PERFORMANCE

Strategic Growth

Currently CCH have over 300 homes in management. The strategic plan for the next 12 months is to consolidate the current service being provided and ensure that the day to day operations run smoothly. We continue to review the structures and controls across the business.

CCH currently employ 38 people across the business including housing management, tenancy officers, maintenance, admin, compliance and finance and where necessary rely on a network of suppliers for ad-hoc services.

Public Benefit

The Trustees are aware of Charity Commission guidance on public benefit reporting as set out in Section 17 of the Charities Act 2011. They believe Cumbria Community Homes fulfils a fundamental public benefit by providing and managing housing together with providing assistance to people in need.

Review of activities

The service provided by the company to its tenants was very much business as usual. Tenancy officers spend regular time with each of their tenants to help them work through their support needs following an agreed support plan which identifies specific needs that the tenant requires help with. In addition an on-call 24/7 is available for out of hours support.

The cost of maintaining the properties has increased as the cost of living, materials and labour have all increased during this time but strict policies of obtaining quotes and estimates have helped reduce third party supplier costs.

The introduction of more stringent internal operational processes and procedures has helped to improve the smooth daily operations of running the company.

Relationships with councils, in particle the Housing Benefit teams, have ensured claims are being processed and paid in a timely manner which has a positive effect on the cash flow of the business.

CUMBRIA COMMUNITY HOMES
STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2024

FINANCIAL REVIEW

The 2023/24 year continued to be challenging from a financial point of view for the Charity. However the statement of financial activities shows a net surplus of expenditure in the year of £108,047 compared to a deficit in the previous year of £294,008.

As a result of various issues arising throughout this and the previous year, the Chief Executive resigned in December 2023. At that time the trustees were added as signatories on the company's bank account and a mandatory dual authorisation was put in place for all payments. The re-structuring of the business to ensure financial stability continues.

A tribunal hearing concerning disputed rent for a property in Lawson Street, Barrow-in-Furness, took place in November 2023 and reached a favourable outcome for the Company. Rent owed to the company was paid in April 2024. The funds received were used to pay off the rent arrears to our landlords who are now all up to date and receiving payments of rent as and when they fall due.

The exceptional items detailed in the accounts have been recognised as charitable expenditure and are included in the statement of financial activities (see note 11). These relate to payments made to the former Chief Executive which were written off as irrecoverable when she left the Company.

Due to the strict financial controls put in place by the Finance Director since December 2023, the Company is now in a much stronger financial position and recovering its fund deficit.

The accounting period ending June 2025 will show, as do the 2024 accounts, that the Charity is running within its means.

We have been working with our accountants and auditors and have upgraded financial systems and internal controls.

Reserves policy

The charity's policy is to build up its reserves for the purposes of the development and sustainability of the charity. By the end of June 2024 the Charity showed a deficit of funds of £276,425 compared to £384,472 as at the 30th June 2023.

The trustees have put in place procedures for the deficit to be reversed. As at the date of the signing of the accounts, the deficit has been reduced by around 90%. As a result of the above, the accounts have been prepared on a going concern basis and the trustees are confident that measures taken will ensure financial stability in future years.

Financial and risk management objectives and policies

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finance of the charity and are satisfied that systems are now in place to mitigate its exposures to these risks.

The Board of Trustees review the annual budget paying particular attention to the balance between income and expenditure and the amount needed to be retained in reserves.

CUMBRIA COMMUNITY HOMES
STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Recruitment and appointment of new trustees

The current trustees are aware that at present there are only two trustees which is not in accordance with the governing document. They are in the process of looking to appoint new trustees that will help drive the Charity forward and ensure that those who are appointed demonstrate relevant experience from within the sector, for example landlords, ex-council members and individuals with finance and property development experience. New trustees will be appointed under the terms of the Articles of Association by a resolution of the existing trustees, who are also Directors of the Company. All trustees are and will be made aware of their responsibilities before appointment.

Organisational structure

Christine Bee stood down as Chief Executive in December 2023 and the day to day operations of the business are now being managed by Amanda Stevens, for which she receives a fee, and the senior management team.

Risk management

The Trustees continue to assess the risk and uncertainties facing the Charity and how these may impact the financial position of the Charity. Risks are identified in the Trustees meetings and any risks that are felt to prevent the Charity achieving its objectives are reviewed with the senior management team.

Approved by order of the board of trustees on 20 November 2025 and signed on its behalf by:



Ms E J Stones - Trustee

CUMBRIA COMMUNITY HOMES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2024. The trustees have adopted the provisions of 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).

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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

12068336 (England and Wales)

Registered Charity number

1184991

Registered office

37 Riverside Gardens
Barrow in Furness
Cumbria
LA13 0DD

Trustees

P Sheldon Property Developer (resigned 30.10.24)
Ms A Stevens Consultant (resigned 9.10.25)
Ms E J Stones Director
J Watts (appointed 9.10.25)

Auditors

Collards
Chartered Accountants
Statutory Auditor
5-9 Eden Street
Kingston-upon-Thames
Surrey
KT1 1BQ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Cumbria Community Homes for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Collards, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 20 November 2025 and signed on its behalf by:

A handwritten signature in black ink that reads "Emma Stones". The signature is written in a cursive style with a horizontal line underneath the name.

Ms E J Stones - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CUMBRIA COMMUNITY HOMES

Opinion

We have audited the financial statements of Cumbria Community Homes (the 'charitable company') for the year ended 30 June 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Emphasis of matter

We draw attention to note 11 of the financial statements in relation to an exceptional item included in the accounts. Our opinion is not modified in this respect.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CUMBRIA COMMUNITY HOMES

Responsibilities of trustees

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

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

Our 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 a Report of the Independent Auditors 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:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and, considered the risk of acts by Management which were contrary to applicable laws and regulations, including fraud. We made enquiries of the Directors to obtain further understanding of risks of non-compliance.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management regarding known or suspected instances of non-compliance with laws and regulations;
- review of minutes of the Board meetings throughout the year; and
- obtaining an understanding of the control environment in place to prevent and detect irregularities.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Christopher Julian Brigstocke FCA (Senior Statutory Auditor)
for and on behalf of Collards
Chartered Accountants
Statutory Auditor
5-9 Eden Street
Kingston-upon-Thames
Surrey
KT1 1BQ

20 November 2025

CUMBRIA COMMUNITY HOMES
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 Unrestricted fund £	2023 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	-	15,499
Charitable activities	4		
Housing		4,267,068	4,111,304
Investment income	3	4	-
Total		<u>4,267,072</u>	<u>4,126,803</u>
 EXPENDITURE ON			
Charitable activities	5		
Housing		3,982,089	3,417,748
Other		176,936	1,003,063
Total		<u>4,159,025</u>	<u>4,420,811</u>
 NET INCOME/(EXPENDITURE)		108,047	(294,008)
 RECONCILIATION OF FUNDS			
Total funds brought forward		(384,472)	(90,464)
 TOTAL FUNDS CARRIED FORWARD		<u><u>(276,425)</u></u>	<u><u>(384,472)</u></u>

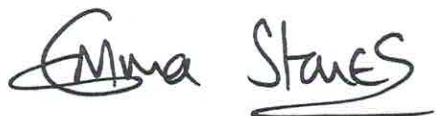
The notes form part of these financial statements

CUMBRIA COMMUNITY HOMES

BALANCE SHEET
30 JUNE 2024

	Notes	2024 Unrestricted fund £	2023 Total funds £
CURRENT ASSETS			
Debtors	13	257,031	379,969
Cash at bank		16,475	1,895
		<u>273,506</u>	<u>381,864</u>
CREDITORS			
Amounts falling due within one year	14	(536,616)	(743,011)
		<u>(263,110)</u>	<u>(361,147)</u>
NET CURRENT ASSETS/(LIABILITIES)			
		<u>(263,110)</u>	<u>(361,147)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>(263,110)</u>	<u>(361,147)</u>
CREDITORS			
Amounts falling due after more than one year	15	(13,315)	(23,325)
		<u>(276,425)</u>	<u>(384,472)</u>
NET ASSETS/(LIABILITIES)			
		<u>(276,425)</u>	<u>(384,472)</u>
FUNDS			
Unrestricted funds	18	(276,425)	(384,472)
		<u>(276,425)</u>	<u>(384,472)</u>
TOTAL FUNDS			
		<u>(276,425)</u>	<u>(384,472)</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20 November 2025 and were signed on its behalf by:



E J Stones - Trustee

CUMBRIA COMMUNITY HOMES

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	123,155	(71,343)
Interest paid		(76,202)	(27,181)
Net cash provided by/(used in) operating activities		<u>46,953</u>	<u>(98,524)</u>
Cash flows from investing activities			
Interest received		4	-
Net cash provided by investing activities		<u>4</u>	<u>-</u>
Cash flows from financing activities			
New loans in year		-	113,285
Loan repayments in year		(32,377)	(16,850)
Net cash (used in)/provided by financing activities		<u>(32,377)</u>	<u>96,435</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		14,580	(2,089)
Cash and cash equivalents at the end of the reporting period		<u>1,895</u>	<u>3,984</u>
Cash and cash equivalents at the end of the reporting period		<u><u>16,475</u></u>	<u><u>1,895</u></u>

The notes form part of these financial statements

CUMBRIA COMMUNITY HOMES

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	108,047	(294,008)
Adjustments for:		
Interest received	(4)	-
Interest paid	76,202	27,181
Decrease in debtors	122,938	162,952
(Decrease)/increase in creditors	(184,028)	32,532
Net cash provided by/(used in) operations	<u><u>123,155</u></u>	<u><u>(71,343)</u></u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.7.23	Cash flow	At 30.6.24
	£	£	£
Net cash			
Cash at bank	1,895	14,580	16,475
	<u>1,895</u>	<u>14,580</u>	<u>16,475</u>
Debt			
Debts falling due within 1 year	(123,294)	22,367	(100,927)
Debts falling due after 1 year	(23,325)	10,010	(13,315)
	<u>(146,619)</u>	<u>32,377</u>	<u>(114,242)</u>
Total	<u><u>(144,724)</u></u>	<u><u>46,957</u></u>	<u><u>(97,767)</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

The Charity has reported a surplus for the year of £124,037 compared to a deficit of £294,008 in the previous year.

In spite of the surplus in the year the accounts show a deficit of assets in the accounts as at 30 June 2024.

As reported in the previous year's accounts, the deficit arose due to charitable expenditure being committed without the necessary funding and made in excess of the funds available to support such charitable expenditure during that year. This is more fully set out in the Trustees Report.

As a result of the issues arising, the CEO resigned from the Charity in December 2023 and the Trustees are urgently looking for replacements at management level to ensure that the Charity has proper governance and control over its finances.

In the meantime the Trustees have been overseeing the operations of the Charity and have ensured that funds have been only spent in excess of expenditure incurred and this has led to the reported surplus in this year's accounts.

Under new management the Trustees have also ensured that proper financial controls have been put in place and that the organisation has operated ensuring that a surplus of funding has been generated. They are confident that such measures will allow the organisation to continue to run its operations at a surplus.

The accounts have therefore been prepared on a going concern basis.

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2024**

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	-	4,999
Grants	-	10,500
	<u>-</u>	<u>15,499</u>

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Other grants	-	10,500
	<u>-</u>	<u>10,500</u>

3. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	4	-
	<u>4</u>	<u>-</u>

4. INCOME FROM CHARITABLE ACTIVITIES

			2024	2023
			£	£
Rent contribution	Activity			
	Housing		4,212,566	4,051,103
Support charges	Housing		54,502	60,201
			<u>4,267,068</u>	<u>4,111,304</u>

5. CHARITABLE ACTIVITIES COSTS

		Direct	Support	Totals
		Costs	costs (see	£
		£	note 6)	£
Housing		3,569,733	412,356	3,982,089
		<u>3,569,733</u>	<u>412,356</u>	<u>3,982,089</u>

6. SUPPORT COSTS

	Management	Finance	Governance	Totals
	£	£	costs	£
	£	£	£	£
Housing	324,075	76,281	12,000	412,356
	<u>324,075</u>	<u>76,281</u>	<u>12,000</u>	<u>412,356</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Other operating leases	13,197	13,124
	<u>13,197</u>	<u>13,124</u>

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2024**

8. AUDITORS' REMUNERATION

	2024	2023
	£	£
Fees payable to the charity's auditors and their associates for the audit of the charity's financial statements	<u>12,000</u>	<u>12,000</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2024 nor for the year ended 30 June 2023.

However, Trustees were paid fees for working on the Charity as follows:

	2024	2023
	£	£
Emma Stones	14,500	32,500
Amanda Stevens	33,000	29,960

Further details of payments to related parties of the Trustees is shown in note 19 to the accounts.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2024 nor for the year ended 30 June 2023.

10. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	894,746	631,808
Social security costs	72,853	49,251
Other pension costs	16,696	10,015
	<u>984,295</u>	<u>691,074</u>

The average monthly number of employees during the year was as follows:

	2024	2023
Employees	<u>39</u>	<u>31</u>

No employees received emoluments in excess of £60,000.

11. EXCEPTIONAL ITEMS

During the year the Charity has recognised exception items of £176,936 (2023: £550,126). This relates to the following items:

£nil (2023 - £331,781) Funding provided to Cumbria Community Person Centred Approach Limited recognised as irrecoverable

£176,936 (2023 - £62,852) funds attributable to the former CEO recognised as irrecoverable.

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2024**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	15,499
Charitable activities	
Housing	4,111,304
Total	<u>4,126,803</u>
EXPENDITURE ON	
Charitable activities	
Housing	3,417,748
Other	1,003,063
Total	<u>4,420,811</u>
NET INCOME/(EXPENDITURE)	(294,008)
RECONCILIATION OF FUNDS	
Total funds brought forward	(90,464)
TOTAL FUNDS CARRIED FORWARD	<u><u>(384,472)</u></u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	245,056	351,993
Other debtors	11,975	27,976
	<u>257,031</u>	<u>379,969</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Bank loans and overdrafts (see note 16)	100,927	123,294
Trade creditors	112,167	344,854
Social security and other taxes	185,431	142,801
Other creditors	52,050	52,761
Accrued expenses	86,041	79,301
	<u>536,616</u>	<u>743,011</u>

CUMBRIA COMMUNITY HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2024

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Bank loans (see note 16)	<u>13,315</u>	<u>23,325</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>100,927</u>	<u>123,294</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>13,315</u>	<u>10,010</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>-</u>	<u>13,315</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023
	£	£
Within one year	1,906,509	2,225,710
Between one and five years	2,033,284	3,082,891
In more than five years	515,325	-
	<u>4,455,118</u>	<u>5,308,601</u>

18. MOVEMENT IN FUNDS

	At 1.7.23	Net movement in funds	At 30.6.24
	£	£	£
Unrestricted funds			
General fund	(384,472)	108,047	(276,425)
TOTAL FUNDS	<u>(384,472)</u>	<u>108,047</u>	<u>(276,425)</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	4,267,072	(4,159,025)	108,047
TOTAL FUNDS	<u>4,267,072</u>	<u>(4,159,025)</u>	<u>108,047</u>

CUMBRIA COMMUNITY HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2024

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.7.22 £	Net movement in funds £	At 30.6.23 £
Unrestricted funds			
General fund	(90,464)	(294,008)	(384,472)
TOTAL FUNDS	<u>(90,464)</u>	<u>(294,008)</u>	<u>(384,472)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,126,803	(4,420,811)	(294,008)
TOTAL FUNDS	<u>4,126,803</u>	<u>(4,420,811)</u>	<u>(294,008)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.7.22 £	Net movement in funds £	At 30.6.24 £
Unrestricted funds			
General fund	(90,464)	(185,961)	(276,425)
TOTAL FUNDS	<u>(90,464)</u>	<u>(185,961)</u>	<u>(276,425)</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	8,393,875	(8,579,836)	(185,961)
TOTAL FUNDS	<u>8,393,875</u>	<u>(8,579,836)</u>	<u>(185,961)</u>

CUMBRIA COMMUNITY HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2024

19. RELATED PARTY DISCLOSURES

During the period, the charitable company entered into the following related party transactions. See separately note 9 in relation to payments made to Trustees.

As at the balance sheet date the charitable company owed nil (2023: £16,000) to Emma Stones, a Trustee in respect of fees owed. The comparative amount was included in the Trade Creditors of the company.

Mrs Stones has a debit balance on her loan account to the company of £11,975. That loan is interest free and all due within one year.

During the year the Charity received services in the amount of £21,250 (2023: £35,825) for rent for properties owned by Stones ISH Holdings Limited, a company owned by Mrs. Stones. This ended in January 2024.

During the year, a debt owed by Mrs Christine Bee, an employee of the Charity, totalling £176,936 (2023 - £62,852) was written off as irrecoverable, as a result of her departure from the Charity.

During the year the Charity had transactions with Cumbria Community Person Centred Approach Limited. The company funded wages, taxes and other costs of CCPCA totalling £47,264 (2023: £411,266) and received £33,245 (2023 - £145,371) from CCPCA.

Included in maintenance costs are payments made to a relative of Amanda Stevens totalling £19,864. These fees were for maintenance services provided to the Charity's rented properties during the year and are therefore included in the charitable expenses of the company. The individual became an employee of the Charity in June 2024.

CUMBRIA COMMUNITY HOMES

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2024**

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	-	4,999
Grants	-	10,500
	-	15,499
Investment income		
Deposit account interest	4	-
Charitable activities		
Rent contribution	4,212,566	4,051,103
Support charges	54,502	60,201
	4,267,068	4,111,304
Total incoming resources	4,267,072	4,126,803
EXPENDITURE		
Charitable activities		
Wages	894,746	631,808
Social security	72,853	49,251
Pensions	16,696	10,015
Rent	2,277,845	2,151,034
Maintenance	297,031	542,703
Rates	10,562	-
	3,569,733	3,384,811
Other		
Exceptional items	176,936	550,126
Support costs		
Management		
Other operating leases	13,197	13,124
Insurance	4,530	5,826
Light and heat	3,012	6,276
Telephone	26,242	27,779
Postage and stationery	1,578	3,993
Advertising	346	5,196
Sundries	2,192	20,012
Other staff costs	4,009	-
Cleaning	4,095	5,405
Office rent	19,504	21,236
Travel and subsistence	7,496	24,720
Motor expenses	70,376	100,731
Storage	3,674	4,477
Computer expenses	19,814	21,682
Accountancy	6,892	13,098
Professional fees	25,636	70,303
Consultancy fees	76,654	98,172
Employee expenses	34,828	-
	324,075	442,030

This page does not form part of the statutory financial statements

CUMBRIA COMMUNITY HOMES
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	£	£
Management		
Finance		
Bank charges	79	1,674
Statutory interest	-	2,989
Bank interest	711	5,925
Bank loan interest	75,491	21,256
	<u>76,281</u>	<u>31,844</u>
Governance costs		
Auditors' remuneration	12,000	12,000
	<u>12,000</u>	<u>12,000</u>
Total resources expended	<u>4,159,025</u>	<u>4,420,811</u>
Net income/(expenditure)	<u>108,047</u>	<u>(294,008)</u>

CUMBRIA COMMUNITY HOMES

England & Wales - Charity number 1184991

Accounts

REGISTERED COMPANY NUMBER: 12068336 (England and Wales)
REGISTERED CHARITY NUMBER: 1184991

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
FOR
CUMBRIA COMMUNITY HOMES**

THURSDAY



A08 *ADY99M2Z* 13/03/2025 #182
COMPANIES HOUSE

CUMBRIA COMMUNITY HOMES

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	Page
Report of the Trustees	1 to 5
Report of the Independent Auditors	6 to 9
Statement of Financial Activities	10
Balance Sheet	11 to 12
Cash Flow Statement	13
Notes to the Cash Flow Statement	14
Notes to the Financial Statements	15 to 23

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2023. The trustees have adopted the provisions of 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

Objectives and aims

The charity's objective contained within the memorandum and articles of association, is to carry out for the benefit of the community, the business of providing and managing housing, including Social Housing, and providing assistance to help house people and associated facilities, amenities and services for persons in need because of youth, age, ill-health, disability, financial hardship or other disadvantage.

Significant activities

We provide good quality accommodation to vulnerable adults in the community meeting their individual needs.

We provide tenancy related care, support and supervision in a person-centred way enabling the enhancement and development of life skills, personal growth, independence, choice, and control.

We help those who are homeless or at risk of homelessness, individuals who struggle with mental or physical health or with a learning difficulty, those who are in recovery from substance misuse and people who are fleeing domestic violence.

We offer one to one financial support with personal budgets and provide a mentor for helping plan daily activities surrounding their tenancies such as meal planning, domestic duties and we signpost and support individuals with opportunities to socialise within the local community.

Our underpinning ethos is to develop an individual's capacity to live independently in the community and to develop or sustain basic life skills needed to hold down a tenancy or maintain a home.

Values

Trust

We build relationships on trust and keep our promises, to meet the expectations of tenants and be honest if we can't.

Integrity

We practice providing a quality service with integrity and sensitivity.

Non-judgemental

We listen to and meet the needs of everyone in a non-judgemental way.

Teamwork

We constantly look at ways to improve and deliver our service.

Empathy

We put ourselves in other people's shoes.

Positive attitude

We practice with a problem-solving approach.

History

The business was incorporated on 25th June 2019, and became registered as a charity on 21st August 2019.

CCH has since grown into one of the leading Housing Support providers across Cumbria, parts of Lancashire, the North-East, Lincolnshire and West Yorkshire.

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2023

STRATEGIC REPORT

Achievement and performance

Strategic Growth

Currently CCH have over 300 homes in management. The strategic plan for the next 12 months is to consolidate the current service being provided and ensure that the day to day operations run smoothly. We continue to review the structures and controls across the business.

CCH currently employ 38 people across the business including housing management, tenancy officers, maintenance, admin, compliance and finance and where necessary rely on a network of suppliers for ad-hoc services.

Public Benefit

The Trustees are aware of Charity Commission guidance on public benefit reporting as set out in Section 17 of the Charities Act 2011. They believe Cumbria Community Homes fulfils a fundamental public benefit by providing and managing housing together with providing assistance to people in need.

Review of activities

The service provided by the company to its tenants was very much business as usual. Tenancy officers spend regular time with each of their tenants to help them work through their support needs following an agreed support plan which identifies specific needs that the tenant requires help with. In addition an on-call 24/7 is available for out of hours support.

The cost of maintaining the properties has increased as the cost of living, materials and labour have all increased during this time but strict policies of obtaining quotes and estimates have helped reduce third party supplier costs.

The introduction of more stringent internal operational processes and procedures has helped to improve the smooth daily operations of running the company.

Relationships with councils, in particle the Housing Benefit teams, have ensured claims are being processed and paid in a timely manner which has a positive effect on the cash flow of the business.

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2023

STRATEGIC REPORT

Financial review

Financial position

2022/2023 was a challenging year from a financial point of view for the Charity. The statement of financial activities shows a deficit of expenditure over income of £294,008.

As a result of various issues arising throughout the year, the Chief Executive resigned in December 2023. At that time the trustees were added as signatories on the company's bank account and a mandatory dual authorisation was put in place for all payments. The trustees are now in the course of restructuring the management of the business.

Debtors were contacted from November 2023 onwards and payment plans put in place where necessary which have all been adhered to and all fully paid. There are two bank loans that continue to be paid back monthly and on time, and there is an agreed monthly payment plan which pays off all outstanding debts to HMRC by June 2026, however the trustees anticipate this will be fully settled prior to that date.

A tribunal hearing concerning disputed rent for a property in Lawson Street, Barrow-in-Furness, took place in November 2023 and reached a favourable outcome for the Company. Rent owed to the company was paid in April 2024. The funds received were used to pay off the rent arrears to our landlords who are now all up to date and receiving payments of rent as and when they fall due.

The exceptional items detailed in the accounts below have been recognised as charitable expenditure and are included in the deficit figures. A large proportion of these related expenses were payments made on behalf of Cumbria Community Person Centred Approach Limited (CCPCA). CCPCA used to run alongside CCH and offer tenants additional care packages outside of the normal tenancy support offered by Cumbria Community Homes (CCH). This is no longer the case and any association between the two companies were terminated in December 2023.

There were also loans made to employees which were written off as irrecoverable when they left the Company.

Due to the strict financial controls put in place by the Finance Director since December 2023, the Company is now in a much stronger financial position and recovering its fund deficit.

The accounting period ending June 2024 will show that the Charity is running within its means.

Our current financial objective is to work with our accountants and auditors to upgrade financial systems and internal controls.

Reserves policy

The charity's policy is to build up its reserves for the purposes of the development and sustainability of the charity. The large expansion over this period lead to a deficit of funds as at the end of 30th June 2023 of £384,472 compared to £90,464 the previous year.

The trustees have put in place procedures for the deficit to be reversed. As at the date of the signing of the accounts, the deficit has been reduced by around 70%. As a result of the above, the accounts have been prepared on a going concern basis and the trustees are confident that measures taken will ensure financial stability in future years.

Financial and risk management objectives and policies

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finance of the charity and are satisfied that systems are now in place to mitigate its exposures to these risks.

The Board of Trustees review the annual budget paying particular attention to the balance between income and expenditure and the amount needed to be retained in reserves.

CUMBRIA COMMUNITY HOMES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Recruitment and appointment of new trustees

The current trustees are aware that at present there are only two trustees which is not in accordance with the governing document. They are in the process of looking to appoint new trustees that will help drive the Charity forward and ensure that those who are appointed demonstrate relevant experience from within the sector, for example landlords, ex-council members and individuals with finance and property development experience. New trustees will be appointed under the terms of the Articles of Association by a resolution of the existing trustees, who are also Directors of the Company. All trustees are and will be made aware of their responsibilities before appointment.

Organisational structure

Christine Bee stood down as Chief Executive in December 2023 and the day to day operations of the business are now being managed by Amanda Stevens, for which she receives a fee, and the senior management team.

Risk management

The Trustees continue to assess the risk and uncertainties facing the Charity and how these may impact the financial position of the Charity. Risks are identified in the Trustees meetings and any risks that are felt to prevent the Charity achieving its objectives are reviewed with the senior management team.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

12068336 (England and Wales)

Registered Charity number

1184991

Registered office

37 Riverside Gardens
Barrow In Furness
Cumbria
LA13 0DD

Trustees

Mr P Sheldon (resigned 30.10.24)
Mrs E Stones
Ms A Stevens

Auditors

Collards
Chartered Accountants
Statutory Auditors
5-9 Eden Street
Kingston-Upon - Thames
Surrey
KT1 1BQ

Bankers

Barclays Bank plc
Leicester
LE87.2BB

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Cumbria Community Homes for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 11th March 2025 and signed on the board's behalf by:



Mrs E Stones - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF CUMBRIA COMMUNITY HOMES

Opinion

Disclaimer of opinion

We were engaged to audit the financial statements of Cumbria Community Homes (the 'charitable company') for the year ended 30 June 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for opinion

Basis for disclaimer of opinion

During the year for which the audit was required, a breakdown in financial management and control within the charity led to a deficiency of financial information required to verify most aspects of the accounts presented to us. Whilst the Trustees addressed the lack of control and systems in operation, action was not taken until after the end of financial year to which this report applies.

Our audit work came across deficiencies in all areas of the accounting system, including the recording of wages and salaries, payments to suppliers and the management and supervision of costs and expenses. In addition, in multiple areas, we were unable to confirm the completeness or accuracy of entries in the financial statements, as sufficient audit evidence was not available to us.

As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded costs or income, and the elements making up the Statement of financial activities, the balance sheet or cash flow statement.

Opinion on other matters prescribed by the Companies Act 2006

Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion, whether based on the work undertaken in the course of our audit:

- The information in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees report has been properly prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the Trustees' Report.

Arising from the limitation of our work referred to above:

- We have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- We were unable to determine whether adequate accounting records have been kept.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF CUMBRIA COMMUNITY HOMES

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

Our responsibility is to conduct an audit of the Charity's financial statements in accordance with International Standards on Auditing (UK) and to issue an Auditor's report.

However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the company 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF CUMBRIA COMMUNITY HOMES

Detecting Irregularities

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

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 a Report of the Independent Auditors 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:

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;
 - considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- To address the risk of fraud through management bias and override of controls, we:
- performed analytical procedures to identify any unusual or unexpected relationships;
 - tested journal entries to identify unusual transactions;
 - assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
 - 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.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
CUMBRIA COMMUNITY HOMES**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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



Christopher Julian Brigstocke FCA

for and on behalf of Collards

Chartered Accountants

Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

5-9 Eden Street

Kingston-Upon - Thames

Surrey

KT1 1BQ

11th March 2025

CUMBRIA COMMUNITY HOMES

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	Unrestricted fund £	Restricted fund £	30.6.23 Total funds £	30.6.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	15,499	-	15,499	35,567
Charitable activities					
Housing	3	<u>4,111,304</u>	<u>-</u>	<u>4,111,304</u>	<u>3,026,198</u>
Total		<u>4,126,803</u>	<u>-</u>	<u>4,126,803</u>	<u>3,061,765</u>
EXPENDITURE ON					
Charitable activities					
Charitable activity	4	-	-	-	1,244,950
Housing		4,393,630	-	4,393,630	1,897,007
Other		<u>27,181</u>	<u>-</u>	<u>27,181</u>	<u>12,159</u>
Total		<u>4,420,811</u>	<u>-</u>	<u>4,420,811</u>	<u>3,154,116</u>
NET INCOME/(EXPENDITURE)		(294,008)	-	(294,008)	(92,351)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>(90,464)</u>	<u>-</u>	<u>(90,464)</u>	<u>1,887</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>(384,472)</u></u>	<u><u>-</u></u>	<u><u>(384,472)</u></u>	<u><u>(90,464)</u></u>

The notes form part of these financial statements

CUMBRIA COMMUNITY HOMES

**BALANCE SHEET
30 JUNE 2023**

	Notes	Unrestricted fund £	Restricted fund £	30.6.23 Total funds £	30.6.22 Total funds £
CURRENT ASSETS					
Debtors	12	379,968	-	379,968	542,921
Cash at bank		<u>1,895</u>	<u>-</u>	<u>1,895</u>	<u>3,984</u>
		381,863	-	381,863	546,905
CREDITORS					
Amounts falling due within one year	13	(743,010)	-	(743,010)	(604,039)
		<u>(361,147)</u>	<u>-</u>	<u>(361,147)</u>	<u>(57,134)</u>
NET CURRENT ASSETS/(LIABILITIES)					
		(361,147)	-	(361,147)	(57,134)
CREDITORS					
Amounts falling due after more than one year	14	(23,325)	-	(23,325)	(33,330)
		<u>(384,472)</u>	<u>-</u>	<u>(384,472)</u>	<u>(90,464)</u>
NET ASSETS/(LIABILITIES)					
		(384,472)	-	(384,472)	(90,464)
FUNDS					
Unrestricted funds	17			<u>(384,472)</u>	<u>(90,464)</u>
TOTAL FUNDS					
				<u>(384,472)</u>	<u>(90,464)</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2023.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

CUMBRIA COMMUNITY HOMES

BALANCE SHEET - continued
30 JUNE 2023

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 11th March 2025 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'E Stones', written over a rectangular box.

Mrs E Stones - Trustee

The notes form part of these financial statements

CUMBRIA COMMUNITY HOMES

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	30.6.23 £	30.6.22 £
Cash flows from operating activities			
Cash generated from operations	1	(71,342)	29,668
Interest paid		<u>(27,181)</u>	<u>(12,159)</u>
Net cash (used in)/provided by operating activities		<u>(98,523)</u>	<u>17,509</u>
Cash flows from financing activities			
New loans in year		113,284	-
Loan repayments in year		<u>(16,850)</u>	<u>(18,616)</u>
Net cash provided by/(used in) financing activities		<u>96,434</u>	<u>(18,616)</u>
<hr/>			
Change in cash and cash equivalents in the reporting period		(2,089)	(1,107)
Cash and cash equivalents at the beginning of the reporting period		<u>3,984</u>	<u>5,091</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,895</u></u>	<u><u>3,984</u></u>

The notes form part of these financial statements

CUMBRIA COMMUNITY HOMES

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	30.6.23	30.6.22
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(294,008)	(92,351)
Adjustments for:		
Interest paid	27,181	12,159
Decrease/(increase) in debtors	162,953	(387,300)
Increase in creditors	<u>32,532</u>	<u>497,160</u>
Net cash (used in)/provided by operations	<u>(71,342)</u>	<u>29,668</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.7.22	Cash flow	At 30.6.23
	£	£	£
Net cash			
Cash at bank	<u>3,984</u>	<u>(2,089)</u>	<u>1,895</u>
	<u>3,984</u>	<u>(2,089)</u>	<u>1,895</u>
Debt			
Debts falling due within 1 year	(16,854)	(106,441)	(123,293)
Debts falling due after 1 year	<u>(33,330)</u>	<u>10,005</u>	<u>(23,325)</u>
	<u>(50,184)</u>	<u>(96,434)</u>	<u>(146,618)</u>
Total	<u>(46,200)</u>	<u>(98,523)</u>	<u>(144,723)</u>

The notes form part of these financial statements

CUMBRIA COMMUNITY HOMES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The Charity had reported a deficit of £294,008 in the 2022/23 year and £92,351 in the 2021/22 year.

The deficit arose due to charitable expenditure being committed without the necessary funding and made in excess of the funds available to support such charitable expenditure during the year. This is more fully set out in the Trustees Report.

As a result of the issues arising, the CEO has resigned from the Charity.

In the meantime the Trustees have been overseeing the operations of the Charity and have ensured that funds have been only spent in excess of expenditure incurred and that the deficit from the previous two years has been substantially reduced.

Under new management the Trustees have also ensured that proper financial controls have been put in place and that the organisation has operated ensuring that a surplus of funding has been generated. They are confident that such measures will allow the organisation to continue to run its operations at a surplus.

The accounts have therefore been prepared on a going concern basis.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants received are credited to the income and expenditure account in the financial period in which they are received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023**

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	30.6.23	30.6.22
	£	£
Donations	4,999	19,898
Grants	<u>10,500</u>	<u>15,669</u>
	<u>15,499</u>	<u>35,567</u>

Grants received, included in the above, are as follows:

	30.6.23	30.6.22
	£	£
Other grants	<u>10,500</u>	<u>15,669</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	30.6.23	30.6.22
	£	£
Rent contributions	4,051,103	3,026,198
Support charges	<u>60,201</u>	<u>-</u>
	<u>4,111,304</u>	<u>3,026,198</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Housing	<u>3,384,811</u>	<u>1,008,819</u>	<u>4,393,630</u>

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023**

5. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Housing	<u>442,030</u>	<u>554,789</u>	<u>12,000</u>	<u>1,008,819</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	30.6.23	30.6.22
	£	£
Other operating leases	<u>13,124</u>	<u>3,363</u>

7. AUDITORS' REMUNERATION

	30.6.23	30.6.22
	£	£
Fees payable to the charity's auditors and their associates for the audit of the charity's financial statements	<u>12,000</u>	<u>9,000</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

Trustees were paid as follows:

	30.6.23	30.6.22
	£	£
Amanda Stevens	29,960	4,430
Emma Stones	32,500	-

In addition Emma Stones received £6,112 expenses during the year ended 30 June 2023 (30 June 2022 - nil).

Further details of payments to related parties of the Trustees is shown in note 17 to the accounts.

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023**

9. STAFF COSTS

	30.6.23	30.6.22
	£	£
Wages and salaries	631,808	689,073
Social security costs	49,251	45,780
Other pension costs	<u>10,015</u>	<u>8,029</u>
	<u>691,074</u>	<u>742,882</u>

The average monthly number of employees during the year was as follows:

	30.6.23	30.6.22
Staff	<u>31</u>	<u>28</u>

No employees received emoluments in excess of £60,000.

10. EXCEPTIONAL ITEMS

During the year the Charity has recognised exception items of £550,126 (2022: £Nil). This relates to the following items:

£124,072 Un-categorised expenses paid to employees in the year

£331,781 Funding provided to Cumbria Community Person Centred Approach Limited treated as expenditure in the accounts

£31,421 loan provision to a former employee treated as expenditure in the accounts

£62,852 loan provision to the former CEO treated as expenditure in the accounts

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	35,567	-	35,567
Charitable activities			
Housing	<u>3,026,198</u>	-	<u>3,026,198</u>
Total	<u>3,061,765</u>	-	<u>3,061,765</u>
EXPENDITURE ON			
Charitable activities			
Charitable activity	1,244,950	-	1,244,950
Housing	1,897,007	-	1,897,007
Other	<u>12,159</u>	-	<u>12,159</u>
Total	<u>3,154,116</u>	-	<u>3,154,116</u>
NET INCOME/(EXPENDITURE)	(92,351)	-	(92,351)

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	1,887	-	1,887
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS CARRIED FORWARD	<u>(90,464)</u>	<u>-</u>	<u>(90,464)</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.23 £	30.6.22 £
Trade debtors	351,993	450,080
Other debtors	<u>27,975</u>	<u>92,841</u>
	<u>379,968</u>	<u>542,921</u>

At 30th June 2023 the charity had a trade debtor of £94,917 recognised for a property at Lawson Street where housing and support is offered. This was subject to a tribunal hearing in November 2023 in which the Charity was successful. These funds are expected to be received in April 2024 per the court decision. This debtor is comprised of £846,987 of unpaid rent due to the Charity less £720,430.79 of rent due to landlords.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.23 £	30.6.22 £
Bank loans and overdrafts (see note 15)	123,294	10,004
Other loans (see note 15)	-	6,850
Trade creditors	344,854	418,512
Social security and other taxes	142,801	132,676
Other creditors	52,761	10,339
Accrued expenses	<u>79,301</u>	<u>25,658</u>
	<u>743,010</u>	<u>604,039</u>

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023**

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR			
		30.6.23	30.6.22
		£	£
Bank loans (see note 15)		<u>23,325</u>	<u>33,330</u>
15. LOANS			
An analysis of the maturity of loans is given below:			
		30.6.23	30.6.22
		£	£
Amounts falling due within one year on demand:			
Bank loans		123,294	10,004
Other loans		<u>-</u>	<u>6,850</u>
		<u>123,294</u>	<u>16,854</u>
Amounts falling between one and two years:			
Bank loans - 1-2 years		<u>10,010</u>	<u>10,010</u>
Amounts falling due between two and five years:			
Bank loans - 2-5 years		<u>13,315</u>	<u>23,320</u>
16. LEASING AGREEMENTS			
Minimum lease payments under non-cancellable operating leases fall due as follows:			
		30.6.23	30.6.22
		£	£
Within one year		2,225,710	2,299,592
Between one and five years		<u>3,082,891</u>	<u>3,169,309</u>
		<u>5,308,601</u>	<u>5,468,901</u>
17. MOVEMENT IN FUNDS			
		Net	
	At 1.7.22	movement	At
	£	in funds	30.6.23
		£	£
Unrestricted funds			
General fund	(90,464)	(294,008)	(384,472)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>(90,464)</u>	<u>(294,008)</u>	<u>(384,472)</u>

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023**

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,126,803	(4,420,811)	(294,008)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>4,126,803</u>	<u>(4,420,811)</u>	<u>(294,008)</u>

Comparatives for movement in funds

	At 1.7.21 £	Net movement in funds £	At 30.6.22 £
Unrestricted funds			
General fund	1,887	(92,351)	(90,464)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,887</u>	<u>(92,351)</u>	<u>(90,464)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,061,765	(3,154,116)	(92,351)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>3,061,765</u>	<u>(3,154,116)</u>	<u>(92,351)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.7.21 £	Net movement in funds £	At 30.6.23 £
Unrestricted funds			
General fund	1,887	(386,359)	(384,472)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,887</u>	<u>(386,359)</u>	<u>(384,472)</u>

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023**

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	7,188,568	(7,574,927)	(386,359)
	7,188,568	(7,574,927)	(386,359)
TOTAL FUNDS	7,188,568	(7,574,927)	(386,359)

18. RELATED PARTY DISCLOSURES

During the period, the charitable company entered into the following related party transactions. See separately note 8 in relation to payments made to Trustees.

As at the balance sheet date the charitable company owed £16,000 (2022: £3,675) to Emma Stones, a Trustee in respect of fees owed. This amount is included in the Trade Creditors of the company.

Mrs.Stones has a debit balance on her loan account to the company of £27,975 so owed to the Charity at balance sheet date a total of £11,975. That loan is interest free and all due within one year.

During the year the Charity received services in the amount of £35,825 (2023: £40,850) for rent for properties owned by Stones ISH Holdings Limited.

During the year, a debt owed by Mrs Christine Bee, an employee of the Charity, totalling £62,852 was provided for as exceptional expenditure in the accounts, as a result of her departure from the Charity.

During the year the Charity had transactions with Cumbria Community Person Centred Approach Limited (CCPCA), a company controlled by Mrs Christine Bee, the former CEO of the charity. During this period, the Charity received funds of £98,369 (2022: £45,452) from councils on CCPCA's behalf, and £47,002 (2022: £2,930) in return of funds from CCPCA.

The company funded wages, taxes and other costs of CCPCA totalling £411,266 (2022: £108,407) from CCPCA leading to a net debtor due to the charity of £331,782 (2022: £65,885).

The balance of money transferred to CCPCA has now been written off to exceptional items (see note 10), due to the fact that CCPCA appears to be insolvent and not in a position to return any of the funds.

Included in maintenance costs are payments totalling £22,350 made to the maintenance manager who is a relative of Amanda Stevens. These fees were for maintenance services provided to the Charity's rented properties during the year and are therefore included in the charitable expenses of the company.

CUMBRIA COMMUNITY HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2023

19. GENERAL INFORMATION

Cumbria Community Homes is a company limited by guarantee and incorporated in England and Wales. It's registered office is 37 Riverside Gardens, Barrow-in-Furness, Cumbria, LA13 0DD. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The financial statements are presented in sterling, which is the functional currency of the company.

CUMBRIA COMMUNITY HOMES

England & Wales - Charity number 1184991

Accounts

REGISTERED COMPANY NUMBER: 12068336 (England and Wales)
REGISTERED CHARITY NUMBER: 1184991

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
FOR
CUMBRIA COMMUNITY HOMES**

Collards
Chartered Accountants
Statutory Auditors
5-9 Eden Street
Kingston-Upon - Thames
Surrey
KT1 1BQ

CUMBRIA COMMUNITY HOMES

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 23
Detailed Statement of Financial Activities	24 to 25

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2022. The trustees have adopted the provisions of 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

Objectives and aims

The charity's objective contained within the memorandum and articles of association, is to carry out for the benefit of the community, the business of providing and managing housing, including Social Housing, and providing assistance to help house people and associated facilities, amenities and services for persons in need because of youth, age, ill-health, disability, financial hardship or other disadvantage.

Significant activities

To provide good quality accommodation to vulnerable adults in the community meeting their individual needs.

To provide tenancy related care, support and supervision in a person-centred way enabling the enhancement and development of life skills, personal growth, independence, choice, and control.

To help those who are homeless or at risk of homelessness, individuals who struggle with mental or physical health or with a learning difficulty, those who are in recovery from substance misuse and people who are fleeing domestic violence.

To offer one to one financial support with personal budgets and provide a mentor for helping plan daily activities surrounding their tenancies such as meal planning, domestic duties and we signpost and support individuals with opportunities to socialise within the local community.

Our underpinning ethos is to develop an individual's capacity to live independently in the community and to develop or sustain basic life skills needed to hold down a tenancy or maintain a home.

Values

Trust

To build relationships on trust and keep our promises, to meet the expectations of tenants and be honest if we can't.

Integrity

To practice providing a quality service with integrity and sensitivity.

Non-judgemental

To listen to and meet the needs of everyone in a non-judgemental way.

Teamwork

To constantly look at ways to improve and deliver our service.

Empathy

To put ourselves in other people's shoes.

Positive attitude

To practice with a problem-solving approach.

History

The business was incorporated by Christine Bee on 25th June 2019, and became registered as a charity on 21st August 2019.

CCH has since grown into one of the leading Housing Support provider across the whole of Cumbria and parts of Lancashire, and are currently expanding their services across the North-East, parts of Lincolnshire and West Yorkshire.

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022

OBJECTIVES AND ACTIVITIES

Referrals

Referrals are received from statutory & non-statutory agencies with supporting documentation

Statutory Agencies:

- Local Authority Housing Options Team
- Social Work Teams (care leavers and social care)
- Community Mental Health Team
- Health Authorities
- Probation Service
- Prison Service

Non-Statutory Agencies:

- Mental Health Charities (MIND etc)
- Substance Misuse Centres
- Homeless Charities (YMCA, Local independent etc)
- Domestic Violence Charities (Woman's Aid etc)

All relevant and up to date information must be given within the initial referral, as to avoid referrals being rejected as not being suitable or being delayed due to missing information. Once the referral form has been received and checked, the refer will be contacted by one of the local Tenancy Sustainment Officer's to arrange meeting the prospective tenant, and to complete our Intensive Housing Management Assessment, which identifies how much support is required.

There are occasions, where tenants support needs are more than CCH can provide, when this happens, all parties will be informed, and an extra care package will be suggested before accommodation can be offered to ensure we are not setting the tenant up to fail.

Public Benefit

The Trustees are aware of Charity Commission guidance on public benefit reporting as set out in Section 17 of the Charities Act 2011. They believe Cumbria Community Homes fulfils a fundamental public benefit by providing and managing housing together with providing assistance to people in need.

STRATEGIC REPORT

Achievement and performance

Strategic Growth

CCH have experienced a rapid growth since their incorporation due to the exceptional service they provide. Currently they have over 350 homes in management plus a number of housing developments that provides 24/7 concierge care for vulnerable adults.

The strategic plan for the next 12 months is to consolidate the current service being provided and ensure that they day to day operations can cope with the rapid growth of tenants, this will include putting in structures and controls across the business.

In response to the increased demand for such services within these areas, the team has also grown rapidly and CCH currently employ 50 people across housing management, tenancy officers, maintenance, admin and business development, plus relying on a growing network of consultants, freelancers and contractors where needed.

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022

STRATEGIC REPORT

Achievement and performance

Services

We will provide support to tenants of our accommodation, going beyond what would be provided by an ordinary Landlord.

Advice and guidance about what and what not to do in a property.

Spending regular time with a tenant to help them work through their support needs following an agreed support plan which identifies specific needs that the tenant requires help with.

Advice and guidance on use of kitchen facilities and appliances and in maintaining kitchen hygiene.

Assisting with the security of the property because of a tenant's needs.

An on-call 24/7 for every tenant.

In other projects, a 24 hour manned security and support service will be provided.

Assisting with maintaining health, safety and well-being in the Property.

Regular tenant meetings will provide an opportunity for concerns about health and safety to be raised.

Regular welfare checks where there is a risk to tenant's safety because of issues such as self-harm, harassment from others.

Weekly staff meetings to include discussion of health and safety matters.

Assisting with arranging minor repairs to domestic equipment and appliances. We have a competent maintenance team who assist tenants with their own minor repairs.

Providing life skills training in relation to waste disposal and cleanliness.

Our staff will be involved in enabling, reminding, and helping tenants to develop domestic and practical skills.

Life skills workshops will be provided including gardening, general kitchen experience to help and assist the tenant to develop life-skills.

Helping tenants to engage with individuals, professionals and other bodies with an interest in their welfare, providing advice, assistance and advocacy dealing with statutory and non-statutory agencies, other third parties and relatives.

We will help tenants to deal with telephone calls, correspondence and arranging meetings and can accompany tenants to meetings outside of the accommodation.

Staff will help tenants to remain in contact with their relatives (where requested to do so by the tenant) and keep relatives informed as to developments and progress and welfare.

Additional support will be provided to those tenants who require it to help build relationships with their family and friends, which will have been damaged in many cases.

In some projects, we will arrange for adaptations to enable individuals to cope with a disability.

Advising or assisting with personal budgeting and debt counselling providing any money-management advice, assistance and advocacy to the tenant and regular intervention to assist them in developing their money skills.

Helping to maintain relationships and solve disputes with others, including other tenants.

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022

STRATEGIC REPORT

Achievement and performance

Regular one-to-one support sessions will provide an opportunity for appropriate resolution and discussion of actual or potential conflicts.

Dealing with benefit claims and other official correspondence relevant to sustaining accommodation; filling out forms, writing to benefit authorities, making phone calls on behalf of the tenant, sign-posting complex benefit issues to other professionals and providing or sourcing representation in relation to disputes and appeals.

Assisting with shopping, errands, and leisure activities.

We will arrange social events which help people feel less lonely and encourage them by to participate in supervised group activities.

Help with finding, choosing, and moving on into other accommodation.

Tenants will be supported to assess the risks and consider control measures when engaging with the community into which they are to resettle. Tenants will be supported to engage with accommodation and training providers and to apply for accommodation etc. Other support that enables you to cope with the practicalities of everyday life.

The staff will help the tenant in gaining access to education, training, meaningful employment etc.

Our impact

We continue to source good quality homes and give our support to those who need it most.

We also provide job opportunities to many local people of which are fulfilling and rewarding, in all areas that we operate

Due diligence

Due diligence for social housing starts with identifying potential areas where a shortage of supported accommodation exists, and these shortages can often be found in local authority Housing and Homeless Strategies. Discussions are then held with the Housing Options and Benefits Departments of the local authorities to establish if there is a need for specialist supported accommodation in that area and to ensure that any rent models can be agreed by the benefits department where specific groups of vulnerable people qualify for the Exempt Supported Accommodation Rate regarding Housing Benefit. Where rent models won't be in full payment and any shortage of referrals are identified, due consideration must be given whether Cumbria Community Homes should operate in that area.

Specific areas need to be identified where it is crucial that local services/amenities are available to the tenants - for example proximity to shops and local transport if mobility is an issue, local activities for those suffering mental health issues, being located close to a school for families who are being re-housed, certain groups may need to be housed away from schools, where it has been identified that a risk may be present etc.

Once demand and the rent models have been approved, establishing a referral pathway can be made, where all relevant agencies will be contacted.

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022

STRATEGIC REPORT

Financial review

Financial position

The Trustees report a steady year for the Charity ending June 2022.

2021/2022 has continued to be a challenging year for the sector as a whole but the demand for supported housing within the region remains extremely high due to the increased levels of homelessness, vulnerable adults especially with mental health related issues and domestic violence cases all needing re-housing.

In general maintenance costs were significantly higher than originally anticipated due to the age of the properties managed by the Charity.

Staff has more than doubled throughout the financial year and there has been a recent focus on providing the necessary HR support needed to manage this. However there were no significant staff absences that affected the service offering to the tenants.

The Charity continues to work very closely with the local housing teams to help meet this increased demand and the delivery of care and support during this period remained high. However it has been important for the Charity to not take on a large number of new tenants as it consolidates its position having experienced rapid growth in the first couple of years of operation.

The focus going forward is to continue to put the necessary financial and operation controls and structure in place to support this growth.

Reserves policy

The charity's intention is to build up its reserves for the purposes of the development and sustainability of the charity. As a result of the expansion of the organisation in the 2021/22 year, it has not been able to instigate that policy but procedures are in place to ensure that the policy is adhered to in the current year and in the future. As at 30th June 2022 the reserves were in deficit of £90,464 (2021: surplus of £1,887).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

The Trustees have a responsibility to ensure that all aspects of the charity's activities are properly conducted and carried out in full compliance with its Articles of Association.

Recruitment and appointment of new trustees

Trustees are discussed at each quarterly Trustee meeting. Any proposed new Trustees are nominated by the Board of Trustees and are then interviewed and appointed if their skill set and knowledge contribute to the Charity's operations. Trustees receive a full overview of the operational side of the business, usually spending time with various staff members and tenancy officers visiting tenants, attending council meetings where necessary and spending time at the Charity's offices to understand the day-to-day running of the business.

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Role of Chief Executive

The CEO is accountable to the Board of Trustees and, along with other senior staff, is responsible for the day-to-day management of the Charity. These include hiring of senior staff, attending meetings with Local Authorities and Housing teams, dealing with any HR and payroll issues that are escalated, negotiation with landlords and general growth of the business.

Employee Remuneration

The Charity's remuneration policy sets appropriate pay levels for all personnel and takes into consideration the responsibilities undertaken within each role. Benchmarking is undertaken to ensure the remuneration matches the level of comparable organisations.

The CEO's remuneration is set by the Board of Trustees. Due to the fact that the Charity has only been operating since August 2019 pay levels of senior staff have remained very low and over time this will be addressed to reflect current market rates.

Risk management

The Trustees continue to assess the risk and uncertainties facing the Charity and how these may impact the financial position of the Charity. Risks are identified in the Trustees quarterly meeting and any risks that are felt to prevent the Charity achieving its objectives are reviewed with the senior management team.

The greatest risks relate to any unforeseen changes in Government policies, regular weekly/monthly meetings with the Local Authorities help negate this risk as the Charity are aware of any changes ahead of them being implemented.

Whilst the senior management team has remained very stable there is a relatively high staff turnover within the tenancy officer and maintenance teams. All new members of staff are required to complete a 2 week training period and then a further 2 weeks when they shadow a colleague.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

12068336 (England and Wales)

Registered Charity number

1184991

Registered office

37 Riverside Gardens
Barrow In Furness
Cumbria
LA13 0DD

Trustees

Mr G C Asbury (resigned 24.5.22)

Mr A P Oates (resigned 23.8.21)

Mr P Sheldon

Mrs E Stones

Ms A Stevens

Chief Executive

Christine Bee

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Collards
Chartered Accountants
Statutory Auditors
5-9 Eden Street
Kingston-Upon - Thames
Surrey
KT1 1BQ

Bankers

Barclays Bank plc
Leicester
LE87 2BB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Cumbria Community Homes for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 1 November 2023 and signed on the board's behalf by:

Mrs E Stones - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF CUMBRIA COMMUNITY HOMES

Opinion

We have audited the financial statements of Cumbria Community Homes (the 'charitable company') for the year ended 30 June 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no material uncertainty related to going concern.

We draw attention to note 1 in the financial statements, which indicates that the company has made a deficit of expenditure over income in the year. In addition it has significant debts which will need to be collected in the short term to ensure that cash flow is sufficient to manage the business, together with a need to manage liabilities during that short term period. As stated in note 1, these events or conditions indicate that a material uncertainty exists that may cast doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included obtaining information and evidence from management relating to the matters in question and fully evaluating that assessment. Our key observations arising with respect to that evaluation centred around the issues that have been disclosed in note 1 which led to our conclusion concerning the uncertainty.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF CUMBRIA COMMUNITY HOMES

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; 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 Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF CUMBRIA COMMUNITY HOMES

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 145 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 a Report of the Independent Auditors 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:

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;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

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

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

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 for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
CUMBRIA COMMUNITY HOMES**

Use of our report

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

Christopher Julian Brigstocke FCA
Senior Statutory Auditor

for and on behalf of Collards
Chartered Accountants
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
5-9 Eden Street
Kingston-Upon - Thames
Surrey
KT1 1BQ

1 November 2023

CUMBRIA COMMUNITY HOMES

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2022**

	Notes	Unrestricted fund £	Restricted fund £	30.6.22 Total funds £	30.6.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	35,567	-	35,567	61,802
Charitable activities					
Housing	3	<u>3,026,198</u>	<u>-</u>	<u>3,026,198</u>	<u>1,238,799</u>
Total		<u>3,061,765</u>	<u>-</u>	<u>3,061,765</u>	<u>1,300,601</u>
EXPENDITURE ON					
Charitable activities					
Charitable activity	4	1,244,950	-	1,244,950	-
Housing		1,897,007	-	1,897,007	1,298,226
Other		<u>12,159</u>	<u>-</u>	<u>12,159</u>	<u>849</u>
Total		<u>3,154,116</u>	<u>-</u>	<u>3,154,116</u>	<u>1,299,075</u>
NET INCOME/(EXPENDITURE)		(92,351)	-	(92,351)	1,526
RECONCILIATION OF FUNDS					
Total funds brought forward		1,887	-	1,887	361
TOTAL FUNDS CARRIED FORWARD		<u><u>(90,464)</u></u>	<u><u>-</u></u>	<u><u>(90,464)</u></u>	<u><u>1,887</u></u>

The notes form part of these financial statements

CUMBRIA COMMUNITY HOMES

**BALANCE SHEET
30 JUNE 2022**

	Notes	Unrestricted fund £	Restricted fund £	30.6.22 Total funds £	30.6.21 Total funds £
CURRENT ASSETS					
Debtors	11	542,921	-	542,921	155,621
Cash at bank		<u>3,984</u>	<u>-</u>	<u>3,984</u>	<u>5,091</u>
		546,905	-	546,905	160,712
CREDITORS					
Amounts falling due within one year	12	(604,039)	-	(604,039)	(113,337)
		<u>(57,134)</u>	<u>-</u>	<u>(57,134)</u>	<u>47,375</u>
NET CURRENT ASSETS/(LIABILITIES)					
		(57,134)	-	(57,134)	47,375
CREDITORS					
Amounts falling due after more than one year	13	(33,330)	-	(33,330)	(45,488)
		<u>(90,464)</u>	<u>-</u>	<u>(90,464)</u>	<u>1,887</u>
NET ASSETS/(LIABILITIES)					
		(90,464)	-	(90,464)	1,887
FUNDS					
Unrestricted funds	16			<u>(90,464)</u>	<u>1,887</u>
TOTAL FUNDS					
				<u>(90,464)</u>	<u>1,887</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2022.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 1 November 2023 and were signed on its behalf by:

Mrs E Stones - Trustee

The notes form part of these financial statements

CUMBRIA COMMUNITY HOMES

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

	Notes	30.6.22 £	30.6.21 £
Cash flows from operating activities			
Cash generated from operations	1	29,668	(20,685)
Interest paid		<u>(12,159)</u>	<u>(849)</u>
Net cash provided by/(used in) operating activities		<u>17,509</u>	<u>(21,534)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(18,616)</u>	<u>-</u>
Net cash (used in)/provided by financing activities		<u>(18,616)</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period			
		(1,107)	(21,534)
Cash and cash equivalents at the beginning of the reporting period		<u>5,091</u>	<u>26,625</u>
Cash and cash equivalents at the end of the reporting period		<u><u>3,984</u></u>	<u><u>5,091</u></u>

The notes form part of these financial statements

CUMBRIA COMMUNITY HOMES

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	30.6.22	30.6.21
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(92,351)	1,526
Adjustments for:		
Interest paid	12,159	849
Increase in long term creditors	-	37,488
Increase in bank overdraft	-	6,312
Increase in other loans	-	11,000
Increase in debtors	(387,300)	(155,245)
Increase in creditors	<u>497,160</u>	<u>77,385</u>
Net cash provided by/(used in) operations	<u>29,668</u>	<u>(20,685)</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.7.21	Cash flow	At 30.6.22
	£	£	£
Net cash			
Cash at bank	<u>5,091</u>	<u>(1,107)</u>	<u>3,984</u>
	<u>5,091</u>	<u>(1,107)</u>	<u>3,984</u>
Debt			
Debts falling due within 1 year	(23,312)	6,458	(16,854)
Debts falling due after 1 year	<u>(45,488)</u>	<u>12,158</u>	<u>(33,330)</u>
	<u>(68,800)</u>	<u>18,616</u>	<u>(50,184)</u>
Total	<u>(63,709)</u>	<u>17,509</u>	<u>(46,200)</u>

CUMBRIA COMMUNITY HOMES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The Charity has reported a deficit in the accounts for the year and currently has a surplus of liabilities over assets in the balance sheet.

The Charity, which normally runs on a break even basis, has been adversely affected by the non payment of rent in relation to a particular property that it manages. The receipt of that rent is subject to a Tribunal due to be held in November 2023. The Trustees are confident that the contracted rent will be received which will significantly relieve cash flow pressures.

The deficit reported has come about as a result of rapid expansion and the need to invest in staffing and property costs to meet this expansion. The Trustees are confident that steps have been put in place to ensure that the organisation is now running on a break even basis and will be able to pay off its past debts.

Consequently the Trustees have prepared the accounts on a going concern basis.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants received are credited to profit and loss account in the financial period in which they are received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	30.6.22	30.6.21
	£	£
Donations	19,898	3,534
Grants	<u>15,669</u>	<u>58,268</u>
	<u>35,567</u>	<u>61,802</u>

Grants received, included in the above, are as follows:

	30.6.22	30.6.21
	£	£
Other grants	<u>15,669</u>	<u>58,268</u>

3. INCOME FROM CHARITABLE ACTIVITIES

		30.6.22	30.6.21
		£	£
Rent contributions	Activity Housing	<u>3,026,198</u>	<u>1,238,799</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Charitable activity	946,393	298,557	1,244,950
Housing	<u>1,897,007</u>	-	<u>1,897,007</u>
	<u>2,843,400</u>	<u>298,557</u>	<u>3,141,957</u>

5. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Charitable activity	<u>284,060</u>	<u>5,497</u>	<u>9,000</u>	<u>298,557</u>

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	30.6.22	30.6.21
	£	£
Hire of plant and machinery	-	367
Other operating leases	3,363	12,544
Rent	-	569,191
	<u> </u>	<u> </u>

7. AUDITORS' REMUNERATION

	30.6.22	30.6.21
	£	£
Fees payable to the charity's auditors and their associates for the audit of the charity's financial statements	<u>9,000</u>	<u>6,000</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2022 nor for the year ended 30 June 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2022 (2021:£3,692).

9. STAFF COSTS

	30.6.22	30.6.21
	£	£
Wages and salaries	689,073	330,663
Social security costs	45,780	17,575
Other pension costs	<u>8,029</u>	<u>1,950</u>
	<u>742,882</u>	<u>350,188</u>

The average monthly number of employees during the year was as follows:

	30.6.22	30.6.21
Staff	<u>28</u>	<u>15</u>

No employees received emoluments in excess of £60,000.

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	61,802	-	61,802
Charitable activities			
Housing	<u>1,238,799</u>	<u>-</u>	<u>1,238,799</u>
Total	<u>1,300,601</u>	<u>-</u>	<u>1,300,601</u>
 EXPENDITURE ON			
Charitable activities			
Housing	1,298,226	-	1,298,226
Other	<u>849</u>	<u>-</u>	<u>849</u>
Total	<u>1,299,075</u>	<u>-</u>	<u>1,299,075</u>
 NET INCOME	1,526	-	1,526
 RECONCILIATION OF FUNDS			
Total funds brought forward	361	-	361
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,887</u></u>	<u><u>-</u></u>	<u><u>1,887</u></u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.22	30.6.21
	£	£
Trade debtors	450,080	153,710
Other debtors	<u>92,841</u>	<u>1,911</u>
	<u>542,921</u>	<u>155,621</u>

At 30th June 2022 the charity had a trade debtor of £263,510 recognised for a property at Lawson Street where housing and support is offered. This is currently subject to a tribunal hearing in November 2023 and is expected to be received in full.

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.22	30.6.21
	£	£
Bank loans and overdrafts (see note 14)	10,004	6,312
Other loans (see note 14)	6,850	17,000
Trade creditors	418,512	12,530
Social security and other taxes	132,676	65,369
Other creditors	10,339	3,006
Accrued expenses	<u>25,658</u>	<u>9,120</u>
	<u>604,039</u>	<u>113,337</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30.6.22	30.6.21
	£	£
Bank loans (see note 14)	33,330	43,688
Other loans (see note 14)	<u>-</u>	<u>1,800</u>
	<u>33,330</u>	<u>45,488</u>

14. LOANS

An analysis of the maturity of loans is given below:

	30.6.22	30.6.21
	£	£
Amounts falling due within one year on demand:		
Bank loans	10,004	6,312
Other loans	<u>6,850</u>	<u>17,000</u>
	<u>16,854</u>	<u>23,312</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>10,010</u>	<u>9,666</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	23,320	30,491
Other loans - 2-5 years	<u>-</u>	<u>1,800</u>
	<u>23,320</u>	<u>32,291</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	-	3,531

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	30.6.22 £	30.6.21 £
Within one year	2,299,592	832,710
Between one and five years	<u>3,169,309</u>	<u>1,598,160</u>
	<u><u>5,468,901</u></u>	<u><u>2,430,870</u></u>

16. MOVEMENT IN FUNDS

	At 1.7.21 £	Net movement in funds £	At 30.6.22 £
Unrestricted funds			
General fund	1,887	(92,351)	(90,464)
	<u>1,887</u>	<u>(92,351)</u>	<u>(90,464)</u>
TOTAL FUNDS	<u><u>1,887</u></u>	<u><u>(92,351)</u></u>	<u><u>(90,464)</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,061,765	(3,154,116)	(92,351)
	<u>3,061,765</u>	<u>(3,154,116)</u>	<u>(92,351)</u>
TOTAL FUNDS	<u><u>3,061,765</u></u>	<u><u>(3,154,116)</u></u>	<u><u>(92,351)</u></u>

Comparatives for movement in funds

	At 1.7.20 £	Net movement in funds £	At 30.6.21 £
Unrestricted funds			
General fund	361	1,526	1,887
	<u>361</u>	<u>1,526</u>	<u>1,887</u>
TOTAL FUNDS	<u><u>361</u></u>	<u><u>1,526</u></u>	<u><u>1,887</u></u>

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,300,601	(1,299,075)	1,526
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,300,601</u>	<u>(1,299,075)</u>	<u>1,526</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.7.20 £	Net movement in funds £	At 30.6.22 £
Unrestricted funds			
General fund	361	(90,825)	(90,464)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>361</u>	<u>(90,825)</u>	<u>(90,464)</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,362,366	(4,453,191)	(90,825)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>4,362,366</u>	<u>(4,453,191)</u>	<u>(90,825)</u>

17. RELATED PARTY DISCLOSURES

During the period, the charitable company entered into the following related party transactions.

Fees and expenses paid to trustees:

Mr G C Asbury £948 (2021: £1,000)

Mr P Sheldon £Nil (2021 : £1,000)

Mrs E Stones £61,328 (2021 : £33,632)

As at the balance sheet date the charitable company owed £3,675 (2021 : £2,090) to Mrs E Stones.

During the period, the charity entered into transactions with Stones ISH Holdings Limited. Mrs E Stone is a trustee of the charity and is a shareholder and director of this company. The charity received consultancy services in the amount of £56,033 (2021 : £38,950) which was for working with various landlords to grow the portfolio of properties available for the growing number of vulnerable tenant referrals needing social housing. The Charity received services in the amount of £139,897 (2021 : £Nil) for rent for properties owned by Stones ISH Holdings Limited.

CUMBRIA COMMUNITY HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2022

17. RELATED PARTY DISCLOSURES - continued

As at the balance sheet date the charitable company is owed £26,955 (2021 : £1,911) by Mrs Christine Bee, an employee of the charity. This is an employee loan. This loan interest free, unsecured, and due to be repaid within one year.

During the year the charity had transactions with Cumbria Community Person Centred Approach Limited (CCPCA), a company controlled by Mrs Christine Bee, an employee of the charity. During this period, the charity received income of £45,452 (2021 : £Nil) on CCPCA's behalf, paid wages, and related taxes of £108,407 (2021 : £Nil) and received funds of £2,930 (2021 : £Nil) from CCPCA leading to a net debtor due to the charity of £65,885 (2021 : £Nil).

18. GENERAL INFORMATION

Cumbria Community Homes is a company limited by guarantee and incorporated in England and Wales. It's registered office is 37 Riverside Gardens, Barrow-in-Furness, Cumbria, LA13 0DD. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The financial statements are presented in sterling, which is the functional currency of the company.

CUMBRIA COMMUNITY HOMES

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2022**

	30.6.22 £	30.6.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	19,898	3,534
Grants	<u>15,669</u>	<u>58,268</u>
	35,567	61,802
Charitable activities		
Rent contributions	<u>3,026,198</u>	<u>1,238,799</u>
Total incoming resources	3,061,765	1,300,601
EXPENDITURE		
Charitable activities		
Wages	689,073	330,663
Social security	45,780	17,575
Pensions	8,029	1,950
Rent	1,906,107	569,191
Maintenance	194,411	133,474
Donations	<u>-</u>	<u>160</u>
	2,843,400	1,053,013
Other		
Bank interest	10,958	-
Bank loan interest	<u>1,201</u>	<u>849</u>
	12,159	849
Support costs		
Management		
Hire of plant and machinery	-	367
Other operating leases	3,363	12,544
Insurance	4,550	3,398
Light and heat	1,786	6,465
Telephone	17,475	7,236
Postage and stationery	6,937	6,098
Advertising	2,679	575
Sundries	5,138	1,641
Cleaning	10,797	6,260
Office rent	19,616	10,950
Travel and subsistence	25,863	38,197
Motor expenses	46,685	16,658
Storage	2,137	957
Computer expenses	41,988	23,325
Accountancy	15,887	3,367
Professional fees	3,567	10,316
Carried forward	208,468	148,354

This page does not form part of the statutory financial statements

CUMBRIA COMMUNITY HOMES

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2022**

	30.6.22	30.6.21
	£	£
Management		
Brought forward	208,468	148,354
Consultancy fees	<u>75,592</u>	<u>87,829</u>
	284,060	236,183
Finance		
Bank charges	1,151	1,328
Statutory interest	<u>4,346</u>	<u>1,702</u>
	5,497	3,030
Governance costs		
Auditors' remuneration	<u>9,000</u>	<u>6,000</u>
Total resources expended	<u>3,154,116</u>	<u>1,299,075</u>
Net (expenditure)/income	<u><u>(92,351)</u></u>	<u><u>1,526</u></u>

This page does not form part of the statutory financial statements

CUMBRIA COMMUNITY HOMES

England & Wales - Charity number 1184991

Accounts

REGISTERED COMPANY NUMBER: 12068336 (England and Wales)
REGISTERED CHARITY NUMBER: 1184991

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
FOR
CUMBRIA COMMUNITY HOMES**

Collards
Chartered Accountants
Registered Auditors
5-9 Eden Street
Kingston-Upon - Thames
Surrey
KT1 1BQ

CUMBRIA COMMUNITY HOMES

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Page
Report of the Trustees	1 to 8
Report of the Independent Auditors	9 to 12
Statement of Financial Activities	13
Balance Sheet	14
Cash Flow Statement	15
Notes to the Cash Flow Statement	16
Notes to the Financial Statements	17 to 23
Detailed Statement of Financial Activities	24 to 25

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2021. The trustees have adopted the provisions of 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

Objectives and aims

The charity's objective contained within the memorandum and articles of association, is to carry out for the benefit of the community, the business of providing and managing housing, including Social Housing, and providing assistance to help house people and associated facilities, amenities and services for persons in need because of youth, age, ill-health, disability, financial hardship or other disadvantage.

Significant activities

To provide good quality accommodation to vulnerable adults in the community meeting their individual needs.

To provide tenancy related care, support and supervision in a person-centred way enabling the enhancement and development of life skills, personal growth, independence, choice, and control.

To help those who are homeless or at risk of homelessness, individuals who struggle with mental or physical health or with a learning difficulty, those who are in recovery from substance misuse and people who are fleeing domestic violence.

To offer one to one financial support with personal budgets and provide a mentor for helping plan daily activities surrounding their tenancies such as meal planning, domestic duties and we signpost and support individuals with opportunities to socialise within the local community.

Our underpinning ethos is to develop an individual's capacity to live independently in the community and to develop or sustain basic life skills needed to hold down a tenancy or maintain a home.

Values

Trust

To build relationships on trust and keep our promises, to meet the expectations of tenants and be honest if we can't.

Integrity

To practice providing a quality service with integrity and sensitivity.

Non-judgemental

To listen to and meet the needs of everyone in a non-judgemental way

Teamwork

To constantly look at ways to improve and deliver our service.

Empathy

To put ourselves in other people's shoes

Positive attitude

To practice with a problem-solving approach

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2021

OBJECTIVES AND ACTIVITIES

History

The business founded by Christine Bee, was incorporated on 25th June 2019, and became registered as a charity on 21st August 2019.

Christine, CEO, has a plethora of experience and knowledge in a number of relevant sectors, namely building, housing and care. She was a Project Manager for her family building company for several years before accepting a position as Care Co-ordinator for Creative Support. She then moved to Barrow Borough Council's Homeless Team as a Homeless Officer responsible for providing accommodation and support to those who were homeless and at risk of homelessness.

Christine was then asked to join My Space Housing Solutions as a Housing Officer. Her ability to make these connections reflected on the profit being made at the time for her previous employer, she was promoted to the Business Development Team for the North East of England whereby she achieved full occupancy on a large number of units that were previously void for quite some time. Christine was a strong and successful part of the team establishing good connections and relationships with agencies and several Local Authorities in the North East who referred into the schemes in her area.

After a staff re-structure within the Housing Association, Christine recognised there was an adequate need for further supported housing and decided to set up on her own and incorporated Cumbria Community Homes, which in turn Charitable Status in August 2019.

She is a well-known and well respected member of her community and utilised this to become instrumental to building a portfolio of properties and a strong referral pipeline for the area through the various contacts she has with partnering agencies, landlords and Councils.

CCH has since grown into one of the leading Housing Support provider across the whole of Cumbria and parts of Lancashire, and are currently expanding their services across the North-East where they already have established connections from Christine's previous roles in this area.

In response to this rapid growth, Emma Hughes was brought on board in late 2020 to focus on the strategic growth of the business freeing up Christine's time to concentrate on the day to day operations. Emma ran her own marketing agency for 11 years before becoming a successful business consultant providing a professional portfolio of marketing and development services to help a range of companies from start-ups to well recognised blue chip organisations increase revenue by boosting sales and continuous improvement through strategic campaigns.

In the past 18 months Emma has forged relationships with various investors and landlords to ensure that quality housing is being provided in the right areas to meet the ever growing demand.

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2021

OBJECTIVES AND ACTIVITIES

Referrals

Referrals are received from statutory & non-statutory agencies with supporting documentation

Statutory Agencies:

- Local Authority Housing Options Team
- Social Work Teams (care leavers and social care)
- Community Mental Health Team
- Health Authorities
- Probation Service
- Prison Service

Non-Statutory Agencies:

- Mental Health Charities (MIND etc)
- Substance Misuse Centres
- Homeless Charities (YMCA, Local independent etc)
- Domestic Violence Charities (Woman's Aid etc)

All relevant and up to date information must be given within the initial referral, as to avoid referrals being rejected as not being suitable or being delayed due to missing information. Once the referral form has been received and checked, the refer will be contacted by one of the local Tenancy Sustainment Officer's to arrange meeting the prospective tenant, and to complete our Intensive Housing Management Assessment, which identifies how much support is required.

There are occasions, where tenants support needs are more than CCH can provide, when this happens, all parties will be informed, and an extra care package will be suggested before accommodation can be offered to ensure we are not setting the tenant up to fail.

Public Benefit

The Trustees are aware of Charity Commission guidance on public benefit reporting as set out in Section 17 of the Charities Act 2011. They believe Cumbria Community Homes fulfils a fundamental public benefit by providing and managing housing together with providing assistance to people in need.

STRATEGIC REPORT

Achievement and performance

Strategic Growth

CCH have experienced a rapid growth since their incorporation due to the exceptional service they provide. Currently they have over 350 homes in management plus a number of housing developments that provides 24/7 concierge care for vulnerable adults.

The strategic plan for the next 12 months is to work in conjunction with the Council in the existing areas CCH operate in to expand this service offering and to further identify good quality private landlords within these areas who can provide the level of accommodation needed.

By the end of 2022 it is projected that around 500 vulnerable adults will be receiving care from CCH.

In response to the increased demand for such services within these areas, the team has also grown rapidly and CCH currently employ 20 people across housing management, tenancy officers, maintenance, admin and business development, plus relying on a growing network of consultants, freelancers and contractors where needed.

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2021

STRATEGIC REPORT

Achievement and performance

Services

We will provide support to tenants of our accommodation, going beyond what would be provided by an ordinary Landlord.

Advice and guidance about what and what not to do in a property.

Spending regular time with a tenant to help them work through their support needs following an agreed support plan which identifies specific needs that the tenant requires help with.

Advice and guidance on use of kitchen facilities and appliances and in maintaining kitchen hygiene.

Assisting with the security of the property because of a tenant's needs.

An on-call 24/7 for every tenant.

In other projects, a 24 hour manned security and support service will be provided.

Assisting with maintaining health, safety and well-being in the Property.

Regular tenant meetings will provide an opportunity for concerns about health and safety to be raised.

Regular welfare checks where there is a risk to tenant's safety because of issues such as self-harm, harassment from others.

Weekly staff meetings to include discussion of health and safety matters.

Assisting with arranging minor repairs to domestic equipment and appliances. We have a competent maintenance team who assist tenants with their own minor repairs.

Providing life skills training in relation to waste disposal and cleanliness.

Our staff will be involved in enabling, reminding, and helping tenants to develop domestic and practical skills.

Life skills workshops will be provided including gardening, general kitchen experience to help and assist the tenant to develop life-skills.

Helping tenants to engage with individuals, professionals and other bodies with an interest in their welfare, providing advice, assistance and advocacy dealing with statutory and non-statutory agencies, other third parties and relatives.

We will help tenants to deal with telephone calls, correspondence and arranging meetings and can accompany tenants to meetings outside of the accommodation.

Staff will help tenants to remain in contact with their relatives (where requested to do so by the tenant) and keep relatives informed as to developments and progress and welfare.

Additional support will be provided to those tenants who require it to help build relationships with their family and friends, which will have been damaged in many cases.

In some projects, we will arrange for adaptations to enable individuals to cope with a disability.

Advising or assisting with personal budgeting and debt counselling providing any money-management advice, assistance and advocacy to the tenant and regular intervention to assist them in developing their money skills.

Helping to maintain relationships and solve disputes with others, including other tenants.

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2021

STRATEGIC REPORT

Achievement and performance

Regular one-to-one support sessions will provide an opportunity for appropriate resolution and discussion of actual or potential conflicts.

Dealing with benefit claims and other official correspondence relevant to sustaining accommodation; filling out forms, writing to benefit authorities, making phone calls on behalf of the tenant, sign-posting complex benefit issues to other professionals and providing or sourcing representation in relation to disputes and appeals.

Assisting with shopping, errands, and leisure activities.

We will arrange social events which help people feel less lonely and encourage them by to participate in supervised group activities.

Help with finding, choosing, and moving on into other accommodation.

Tenants will be supported to assess the risks and consider control measures when engaging with the community into which they are to resettle. Tenants will be supported to engage with accommodation and training providers and to apply for accommodation etc. Other support that enables you to cope with the practicalities of everyday life.

The staff will help the tenant in gaining access to education, training, meaningful employment etc.

Our impact

We continue to source good quality homes and give our support to those who need it most.

We also provide job opportunities to many local people of which are fulfilling and rewarding, in all areas that we operate

Due diligence

Due diligence for social housing starts with identifying potential areas where a shortage of supported accommodation exists, and these shortages can often be found in local authority Housing and Homeless Strategies. Discussions are then held with the Housing Options and Benefits Departments of the local authorities to establish if there is a need for specialist supported accommodation in that area and to ensure that any rent models can be agreed by the benefits department where specific groups of vulnerable people qualify for the Exempt Supported Accommodation Rate regarding Housing Benefit. Where rent models won't be in full payment and any shortage of referrals are identified, due consideration must be given whether Cumbria Community Homes should operate in that area.

Specific areas need to be identified where it is crucial that local services/amenities are available to the tenants - for example proximity to shops and local transport if mobility is an issue, local activities for those suffering mental health issues, being located close to a school for families who are being re-housed, certain groups may need to be housed away from schools, where it has been identified that a risk may be present etc.

Once demand and the rent models have been approved, establishing a referral pathway can be made, where all relevant agencies will be contacted.

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2021

STRATEGIC REPORT

Financial review

Financial position

The Trustees are pleased to report a strong growth year for the Charity ending June 2021. The business is only in its second year of operation and has clearly consolidated its position as a leading service provider within the area.

2019/2020 was a tough year for the sector as a whole and whilst Covid was a challenge for everyone, a direct consequence has been the increased demand for supported housing within the region due to the increased levels of homelessness, vulnerable adults especially with mental health related issues and domestic violence cases all needing re-housing.

The Charity has worked very closely with the local housing teams to help meet this increased demand.

The delivery of care and support during this period remained high, despite the issues associated with the numerous national lockdowns that had a knockoff effect on tenants and staff.

The Charity was rigorous in evaluating risk to the staff during this period and there were no significant staff absences that had a direct impact on delivering the level of service provided.

Covid saw no negative impact to the financial position of the Charity.

Reserves policy

As a new charity reserves are being built up for the future development and sustainability of the charity and the amount held at the year end is £1,888.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

The Trustees have a responsibility to ensure that all aspects of the charity's activities are properly conducted and carried out in full compliance with its Articles of Association.

Recruitment and appointment of new trustees

Trustees are discussed at each quarterly Trustee meeting. Any proposed new Trustees are nominated by the Board of Trustees and are then interviewed and appointed if their skill set and knowledge contribute to the Charity's operations. Trustees receive a full overview of the operational side of the business, usually spending time with various staff members and tenancy officers visiting tenants, attending council meetings where necessary and spending time at the Charity's offices to understand the day-to-day running of the business.

The CEO keep Trustees up to date with regular performance reports, annual financial reports and future plans and objectives of the Charity.

All of the trustees, officers and staff hold valid certificates from the Disclosure and Barring Service.

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Role of Chief Executive

The CEO is accountable to the Board of Trustees and, along with other senior staff, is responsible for the day-to-day management of the Charity. These include hiring of senior staff, attending meetings with Local Authorities and Housing teams, dealing with any HR and payroll issues that are escalated, negotiation with landlords and general growth of the business.

Employee Remuneration

The Charity's remuneration policy sets appropriate pay levels for all personnel and takes into consideration the responsibilities undertaken within each role. Benchmarking is undertaken to ensure the remuneration matches the level of comparable organisations.

The CEO's remuneration is set by the Board of Trustees. Due to the fact that the Charity has only been operating since August 2019 pay levels of senior staff have remained very low and over time this will be addressed to reflect current market rates.

Risk management

The Trustees continue to assess the risk and uncertainties facing the Charity and how these may impact the financial position of the Charity. Risks are identified in the Trustees quarterly meeting and any risks that are felt to prevent the Charity achieving its objectives are reviewed with the senior management team.

The greatest risks relate to any unforeseen changes in Government policies, regular weekly/monthly meetings with the Local Authorities help negate this risk as the Charity are aware of any changes ahead of them being implemented.

Whilst the senior management team has remained very stable there is a relatively high staff turnover within the tenancy officer and maintenance teams. All new members of staff are required to complete a 2 week training period and then a further 2 weeks when they shadow a colleague.

All of the trustees, officers and staff hold valid certificates from the Disclosure and Barring Service.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

12068336 (England and Wales)

Registered Charity number

1184991

Registered office

37 Riverside Gardens
Barrow In Furness
Cumbria
LA13 0DD

Trustees

Mr G C Asbury (resigned 24.5.22)
Mr A P Oates (resigned 23.8.21)
Mr P Sheldon
Mrs S Waldron (resigned 7.5.21)
Mrs E Stones (appointed 26.2.21)
Ms A Stevens (appointed 12.5.21)
Mr D C Key (appointed 23.10.20) (resigned 23.1.21)

Chief Executive

Christine Bee

CUMBRIA COMMUNITY HOMES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Collards
Chartered Accountants
Registered Auditors
5-9 Eden Street
Kingston-Upon - Thames
Surrey
KT1 1BQ

Bankers

Barclays Bank plc
Leicester
LE87 2BB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Cumbria Community Homes for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Collards, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 31 August 2022 and signed on the board's behalf by:

Mrs E Stones - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF CUMBRIA COMMUNITY HOMES

Opinion

We have audited the financial statements of Cumbria Community Homes (the 'charitable company') for the year ended 30 June 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 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.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
CUMBRIA COMMUNITY HOMES**

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF CUMBRIA COMMUNITY HOMES

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors 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:

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;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

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

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

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 for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
CUMBRIA COMMUNITY HOMES**

Use of our report

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



Christopher Julian Brigstocke FCA
Senior Statutory Auditor

For and on behalf of
Collards Chartered Accountants
Registered Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
5-9 Eden Street
Kingston-Upon - Thames
Surrey
KT1 1BQ

31 August 2022

CUMBRIA COMMUNITY HOMES

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	Unrestricted fund £	Restricted fund £	Year Ended 30.6.21 Total funds £	Period 25.6.19 to 30.6.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	61,802	-	61,802	12,982
Charitable activities					
Housing	3	1,238,799	-	1,238,799	243,325
Total		<u>1,300,601</u>	<u>-</u>	<u>1,300,601</u>	<u>256,307</u>
EXPENDITURE ON					
Charitable activities					
Housing	4	1,298,226	-	1,298,226	255,946
Other		<u>849</u>	<u>-</u>	<u>849</u>	<u>-</u>
Total		<u>1,299,075</u>	<u>-</u>	<u>1,299,075</u>	<u>255,946</u>
NET INCOME		1,526	-	1,526	361
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>361</u>	<u>-</u>	<u>361</u>	<u>-</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,887</u></u>	<u><u>-</u></u>	<u><u>1,887</u></u>	<u><u>361</u></u>

The notes form part of these financial statements

CUMBRIA COMMUNITY HOMES

**BALANCE SHEET
30 JUNE 2021**

	Notes	Unrestricted fund £	Restricted fund £	30.6.21 Total funds £	30.6.20 Total funds £
CURRENT ASSETS					
Debtors	11	155,621	-	155,621	376
Cash at bank		<u>5,091</u>	<u>-</u>	<u>5,091</u>	<u>26,625</u>
		160,712	-	160,712	27,001
CREDITORS					
Amounts falling due within one year	12	(113,337)	-	(113,337)	(18,640)
		<u>47,375</u>	<u>-</u>	<u>47,375</u>	<u>8,361</u>
NET CURRENT ASSETS					
		47,375	-	47,375	8,361
TOTAL ASSETS LESS CURRENT LIABILITIES					
		47,375	-	47,375	8,361
CREDITORS					
Amounts falling due after more than one year	13	(45,488)	-	(45,488)	(8,000)
		<u>1,887</u>	<u>-</u>	<u>1,887</u>	<u>361</u>
NET ASSETS					
		<u>1,887</u>	<u>-</u>	<u>1,887</u>	<u>361</u>
FUNDS					
Unrestricted funds	16			<u>1,887</u>	<u>361</u>
TOTAL FUNDS					
				<u>1,887</u>	<u>361</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 31 August 2022 and were signed on its behalf by:

Mrs E Stones - Trustee

The notes form part of these financial statements

CUMBRIA COMMUNITY HOMES
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Year Ended 30.6.21 £	Period 25.6.19 to 30.6.20 £
Cash flows from operating activities			
Cash generated from operations	1	(20,685)	26,625
Interest paid		<u>(849)</u>	<u>-</u>
Net cash (used in)/provided by operating activities		<u>(21,534)</u>	<u>26,625</u>
Change in cash and cash equivalents in the reporting period		(21,534)	26,625
Cash and cash equivalents at the beginning of the reporting period		<u>26,625</u>	<u>-</u>
Cash and cash equivalents at the end of the reporting period		<u><u>5,091</u></u>	<u><u>26,625</u></u>

The notes form part of these financial statements

CUMBRIA COMMUNITY HOMES

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Year Ended 30.6.21 £	Period 25.6.19 to 30.6.20 £
Net income for the reporting period (as per the Statement of Financial Activities)	1,526	361
Adjustments for:		
Interest paid	849	-
Increase in long term creditors	37,488	8,000
Increase in bank overdraft	6,312	6,000
Increase in other loans	11,000	-
Increase in debtors	(155,245)	(376)
Increase in creditors	<u>77,385</u>	<u>12,640</u>
Net cash (used in)/provided by operations	<u>(20,685)</u>	<u>26,625</u>

2. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1.7.20 £	Cash flow £	At 30.6.21 £
Net cash			
Cash at bank	<u>26,625</u>	<u>(21,534)</u>	<u>5,091</u>
	<u>26,625</u>	<u>(21,534)</u>	<u>5,091</u>
Debt			
Debts falling due within 1 year	(6,000)	(17,312)	(23,312)
Debts falling due after 1 year	<u>(8,000)</u>	<u>(37,488)</u>	<u>(45,488)</u>
	<u>(14,000)</u>	<u>(54,800)</u>	<u>(68,800)</u>
Total	<u>12,625</u>	<u>(76,334)</u>	<u>(63,709)</u>

CUMBRIA COMMUNITY HOMES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants received are credited to profit and loss account in the financial period in which they are received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**

2. DONATIONS AND LEGACIES

	Year Ended 30.6.21 £	Period 25.6.19 to 30.6.20 £
Donations	3,534	5,609
Grants	<u>58,268</u>	<u>7,373</u>
	<u>61,802</u>	<u>12,982</u>

Grants received, included in the above, are as follows:

	Year Ended 30.6.21 £	Period 25.6.19 to 30.6.20 £
Other grants	<u>58,268</u>	<u>7,373</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Year Ended 30.6.21 £	Period 25.6.19 to 30.6.20 £
Rent contributions	<u>1,238,799</u>	<u>243,325</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Housing	<u>1,053,013</u>	<u>245,213</u>	<u>1,298,226</u>

5. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Housing	<u>236,183</u>	<u>3,030</u>	<u>6,000</u>	<u>245,213</u>

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	Year Ended 30.6.21 £	Period 25.6.19 to 30.6.20 £
Hire of plant and machinery	367	487
Other operating leases	12,544	2,856
Rent	<u>569,191</u>	<u>132,121</u>

7. AUDITORS' REMUNERATION

	Year Ended 30.6.21 £	Period 25.6.19 to 30.6.20 £
Fees payable to the charity's auditors and their associates for the audit of the charity's financial statements	<u>6,000</u>	<u>-</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2021 nor for the period ended 30 June 2020.

Trustees' expenses

Trustees' expenses paid for the year ended 30 June 2021 amounted to £3,692.

9. STAFF COSTS

	Year Ended 30.6.21 £	Period 25.6.19 to 30.6.20 £
Wages and salaries	330,663	61,566
Social security costs	17,575	-
Other pension costs	<u>1,950</u>	<u>-</u>
	<u>350,188</u>	<u>61,566</u>

The average monthly number of employees during the year was as follows:

	Year Ended 30.6.21	Period 25.6.19 to 30.6.20
Staff	<u>15</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	12,982	-	12,982
Charitable activities			
Housing	243,325	-	243,325
	<hr/>	<hr/>	<hr/>
Total	256,307	-	256,307
EXPENDITURE ON			
Charitable activities			
Housing	255,946	-	255,946
	<hr/>	<hr/>	<hr/>
NET INCOME	361	-	361
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>361</u>	<u>-</u>	<u>361</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.21 £	30.6.20 £
Trade debtors	153,710	-
Other debtors	1,911	376
	<hr/>	<hr/>
	<u>155,621</u>	<u>376</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.21 £	30.6.20 £
Bank loans and overdrafts (see note 14)	6,312	-
Other loans (see note 14)	17,000	6,000
Trade creditors	12,530	123
Social security and other taxes	65,369	6,154
Other creditors	3,006	3,363
Accrued expenses	9,120	3,000
	<hr/>	<hr/>
	<u>113,337</u>	<u>18,640</u>

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30.6.21	30.6.20
	£	£
Bank loans (see note 14)	43,688	-
Other loans (see note 14)	<u>1,800</u>	<u>8,000</u>
	<u>45,488</u>	<u>8,000</u>

14. LOANS

An analysis of the maturity of loans is given below:

	30.6.21	30.6.20
	£	£
Amounts falling due within one year on demand:		
Bank loans	6,312	-
Other loans	<u>17,000</u>	<u>6,000</u>
	<u>23,312</u>	<u>6,000</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>9,666</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	30,491	-
Other loans - 2-5 years	<u>1,800</u>	<u>8,000</u>
	<u>32,291</u>	<u>8,000</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	3,531	-

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	30.6.21	30.6.20
	£	£
Within one year	832,710	127,593
Between one and five years	<u>1,598,160</u>	<u>192,175</u>
	<u>2,430,870</u>	<u>319,768</u>

CUMBRIA COMMUNITY HOMES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**

16. MOVEMENT IN FUNDS

	At 1.7.20 £	Net movement in funds £	At 30.6.21 £
Unrestricted funds			
General fund	361	1,526	1,887
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>361</u>	<u>1,526</u>	<u>1,887</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,300,601	(1,299,075)	1,526
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,300,601</u>	<u>(1,299,075)</u>	<u>1,526</u>

Comparatives for movement in funds

	Net movement in funds £	At 30.6.20 £
Unrestricted funds		
General fund	361	361
	<hr/>	<hr/>
TOTAL FUNDS	<u>361</u>	<u>361</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	256,307	(255,946)	361
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>256,307</u>	<u>(255,946)</u>	<u>361</u>

CUMBRIA COMMUNITY HOMES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2021

17. RELATED PARTY DISCLOSURES

During the period the charitable company entered into the following related party transactions.

Fees and expenses paid to trustees:

Mr G C Asbury £1,000

Mr P Sheldon £1,000

Mrs E Stones £33,632

Also, during the period the charity entered into transactions with a company connected to Mrs E Stones and received services in the amount of £38,950.

As at the balance sheet date the charitable company owed £2,090 (30.6.20 : £Nil) to Mrs E Stones.

18. GENERAL INFORMATION

Cumbria Community Homes is a company limited by guarantee and incorporated in England and Wales. It's registered office is 37 Riverside Gardens, Barrow-in-Furness, Cumbria, LA13 0DD. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The financial statements are presented in sterling, which is the functional currency of the company.

CUMBRIA COMMUNITY HOMES

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2021**

	Year Ended 30.6.21 £	Period 25.6.19 to 30.6.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	3,534	5,609
Grants	<u>58,268</u>	<u>7,373</u>
	61,802	12,982
Charitable activities		
Rent contributions	<u>1,238,799</u>	<u>243,325</u>
Total incoming resources	1,300,601	256,307
EXPENDITURE		
Charitable activities		
Wages	330,663	61,566
Social security	17,575	-
Pensions	1,950	-
Rent	569,191	132,121
Maintenance	133,474	10,541
Donations	<u>160</u>	<u>92</u>
	1,053,013	204,320
Other		
Bank loan interest	849	-
Support costs		
Management		
Hire of plant and machinery	367	487
Other operating leases	12,544	2,856
Insurance	3,398	1,095
Light and heat	6,465	344
Telephone	7,236	1,175
Postage and stationery	6,098	992
Advertising	575	295
Sundries	1,641	-
Cleaning	6,260	1,007
Office rent	10,950	1,920
Travel and subsistence	38,197	27,265
Motor expenses	16,658	882
Storage	957	396
Computer expenses	23,325	2,265
Accountancy	3,367	3,512
Professional fees	10,316	2,510
Carried forward	148,354	47,001

This page does not form part of the statutory financial statements

CUMBRIA COMMUNITY HOMES

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2021**

	Year Ended 30.6.21 £	Period 25.6.19 to 30.6.20 £
Management		
Brought forward	148,354	47,001
Consultancy fees	87,829	3,542
Repairs and renewals	<u>-</u>	<u>722</u>
	236,183	51,265
Finance		
Bank charges	1,328	361
Statutory interest	<u>1,702</u>	<u>-</u>
	3,030	361
Governance costs		
Auditors' remuneration	<u>6,000</u>	<u>-</u>
Total resources expended	<u>1,299,075</u>	<u>255,946</u>
Net income	<u><u>1,526</u></u>	<u><u>361</u></u>