

BAXENDALE CARE HOME

REPORT OF THE TRUSTEES

AND

FINANCIAL STATEMENTS

For the year ended 31 March 2023

REPORT OF THE TRUSTEES

For the year ended 31 March 2023

The Trustees have pleasure in presenting their report and the audited financial statements for the year ended 31 March 2023.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Trustees/Members who served during the period and the committees on which they serve are:

Mrs J E Cronin	(Chairman of House Committee and member of Finance & General Purposes Committee)
Mr C Liversidge	(Chair of Finance & General Purposes Committee)
Mr A Henderson	(Member Finance & General Purposes Committee)
Mr B R Maunder-Taylor	(Member of Finance & General Purposes Committee)
Mr B Charles	(Chair of trustees and member of Finance & General Purposes Committee to 22.02.23)
Mrs C Bannister	(Member of House Committee)
Mr A Jacobson	(to 31.10.22)
Mr P Smith	(Member Finance & General Purposes Committee)
Mr R Ellis	
Mrs M Testar	
Mr P Burd	(Member of House Committee)
Ms F Halstead	(Chair from 22.02.23)

The address of the Home is **Baxendale, London N20 0EH**, and all correspondence should be sent to this address.

The Treasurer and Secretary to the Trustees (not a Trustee himself) is Mr B M Hosier MBE, Chartered Accountant, to whom all enquiries should be made.

AGENTS AND ADVISORS

Auditors	NA Associates LLP , Chartered Certified Accountants, Woodgate Studios 2-8 Games Road, Cockfosters, Barnet, Herts EN4 9HN
Bankers	Barclays Bank PLC
Investment Manager	CCLA , Senator House, 85 Queen Victoria Street, London EC4V 4ET
Solicitors	Anthony Collins , 134 Edmund Street, Birmingham B3 2ES

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity was originally founded in 1861 and the present site of the Home became the property of the Charity by a Deed of Gift dated 31 October 1892. The Charity was governed by a Scheme under the Seal of the Charity Commissioners dated 5 December 1960 as an unincorporated charity, regulated by the Charity Commission of England and Wales. In 2019, the charity applied to the Charity Commission to register as a CIO, operating under the same name. The Charity Commission approved the CIO's constitution with its revised Objects and the CIO was registered on 12 November 2019 (Charity Registered Number 1186304). In March 2021 the Trustees agreed to transfer the assets and liabilities of the former unincorporated charity to the new CIO on 1 April 2021. The CIO took on responsibility for all the assets and liabilities of the unincorporated charity on 1 April 2021. The former unincorporated charity has now been dissolved.

The Home is registered by the Care Quality Commission certificate number 1-328067446 as a Residential Care Home (CRH). It can accommodate men and women but under an Order from the Charity Commission with a preference to women.

The Home can accommodate 45 permanent residents and the aim of the Trustees is to provide comfortable and as far as possible, independent, residential care for all residents. Each resident has their own room and is able to bring their own furniture and possessions into that room. There is a communal dining room and a large lounge with several smaller areas for quieter activities or for family gatherings. All rooms in the main home are now ensuite. There is a programme of activities for residents to join if they so wish.

There is no geographical limitation for the residents who can be accepted, but the Home is not registered for nursing care and, therefore, an assessment has to be made to ascertain, as far as possible, that the Home is suitable for the person concerned. Residents are accepted who are both financially independent and those who either now or in the future may need to rely on some financial assistance from a local authority. In these cases the prior approval of the local authority has to be obtained before the residency is taken up. In addition to full time residency the Home does cater for respite care.

REPORT OF THE TRUSTEES (Continued)
For the year ended 31 March 2023**ORGANISATION STRUCTURE**

The Constitution directs that there should be at least 6 Trustees/Members responsible for the administration of the Charity and of its land, buildings, investments, cash and other assets. There is no upper limit. The quorum for a valid meeting is 3 or one third of the trustees whichever is the greater.

Trustees serve for a period of five years and may then be re-elected by the remaining Trustees. Any appointment is approved by a majority vote of the continuing Trustees. New Trustees have induction training with the secretary.

There are, in addition, two principal sub committees namely:-

1. Finance and General Purposes Committee which consists of six members all of whom are Trustees. The Committee advises the Trustees on financial matters, the maintenance and improvement of buildings, fees to residents and major staffing matters. The Committee usually meets four times a year.
2. A House Committee which must have at least one Trustees as a member and is under the Chairmanship of a Trustee. It usually meets twelve times a year and gives oversight of the staffing and day to day administration of the Home, and the health and well being of residents whilst giving general support to the manager.

The day to day running of the Home is under the supervision of Ms Jacqui Gordon the manager.

Risk Management

The Trustees have considered the major risks which face the Charity and consider these to be:-

1. A failure to attract new residents
2. Difficulty in recruiting suitable staff
3. The obsolescence of buildings and plant
4. Complying with ever increasing regulations and legislation

The Trustees endeavour to mitigate these risks as follows:-

1. To maintain a high level of client satisfaction which produces referrals and favourable reports from monitoring organisations. The profile of the home is enhanced by regular advertising, a good website and social media.
2. The Trustees have a policy of paying the London Living Wage (rather than just the minimum wage) as a minimum to all staff and to retain the differential for more senior staff. A very favourable pension scheme has been introduced for all staff and regular appraisals and training give opportunities for progression in the organisation.
3. A Designated Fund has been set up to deal with major repairs to both buildings and plant. The fund has grown substantially over the years so is thought to be adequate for all likely repairs. Capital improvements would have to come from other funds but the home is well endowed and should be able to meet these challenges.
4. The Trustees have agreed to keep a strong management team to give more support to the manager in anticipation of keeping up to date with changes on a timely basis. Policies and Procedures are reviewed on a regular basis.

The task of monitoring the Charity's financial control systems is delegated to the Finance and General Purposes Committee. We continue to keep under review the adequacy of the controls which we consider to be appropriate for the size and nature of this charity.

Statement of Trustees' Responsibilities for the Annual Accounts

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, and the provisions of the trust deed. They are also responsible for safeguarding the assets of

the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE TRUSTEES (Continued)
For the year ended 31 March 2023

Financial Review

The accounts for the year are set out on pages 7 to 16. There was a net reduction in Unrestricted Funds amounting to £333,423 leaving balances on our Unrestricted Funds at the period end of £2,090,669. This was after a transfer of £285,067 from our Unapplied Total Return Fund. Of the total, £731,994 is held in a Designated Fund being £634,734 in a Repairs Reserve to contribute towards future repairs and £97,260 in the Mary Westby Fund. The Permanent Endowment Fund has fallen in value by £956,139 due to unrealised investment losses mainly on a freehold investment property where values had to be adjusted to reflect substantial increases in interest rates. Overall the funds now total £12,014,712 most of which is held in the Permanent Endowment Fund.

Investment Powers, policy and performance

There are no specific investment powers in the Constitution and, therefore, the provisions of the Trustee Act 2000 apply.

The Trustees continue to hold longer term funds in CCLA for them to manage in their Charities Ethical Investment Fund. The Trustees' investment policy is to aim for safe long term growth connected with planned spending needs from time to time and are satisfied with the performance in this investment. During the year £850,000 was withdrawn to help finance the improvements. Funds have performed ahead of benchmark.

Reserves

The Trustees have reviewed the need for reserves in line with the guidance issued by the Charity Commission. In past years it was considered desirable to invest surplus funds in property and quoted investments in order to secure a regular income. Part of these investments came from the balance of Permanent Endowment and the balance from Unrestricted Funds and are treated as Fixed Assets on the Balance Sheet. Values, particularly of the investment properties, have increased substantially over the years but are unrealised gains. Improvements have in the main been provided from Unrestricted Funds.

The current balance on non designated Unrestricted Funds is £1,358,675 which has fallen during the year due to the reduction in rooms available during the refurbishment. The first two stages of these works was completed soon after the year end and the next stage is due to start in September 2023.

Our principal objective is to provide a home for the aged who are in need of assistance. The Trustees believe many elderly people are in need of more than financial assistance but recognise that financial need does play a part. They meet this need by keeping fees for all below market rates and by working with the local authority to accept residents at lower fees where resources are such that the local authority pay part of the fee. With the severe pressures on local authority finances there is increasing pressure not to refer clients to residential care even those who need such care. The Trustees consider that some direct funding may be needed in the future and need to keep a strong financial position in order that they can continue to meet this need.

On this basis it is still considered the current level of reserves is appropriate, and will continue to fall whilst the improvements and repairs are in progress, but this will continue to be kept under review when the annual budget is prepared.

Achievement and performance

It has been a difficult year with occupancy levels continuing to fall during the year.

We are aware of the pressure on local authority funding and have fewer residents being part supported by the boroughs. This has contributed to an increase in vacancies but with our investment income we are well placed to withstand short term deficits for a period. We have though resolved to upgrade rooms and the entrance and common parts but this has required rooms to be vacant. Works on the new bedrooms were completed after the year end and work on the entrance and some major repairs is due to start in September 2023.

The financial results were also hit by market conditions with substantial losses on investments including one property. In the main these are book losses and we are looking for some improvement in the coming year.

There is still uncertainty regarding the future of the care sector and funding for those who cannot afford full fees. We look forward to some resolution of these difficulties.

Public Benefit

The Trustees are aware of the need to demonstrate public benefit and in planning our activities during the year we have kept in mind at our meetings the Charity Commission guidance and in particular we have given careful consideration to the guidance given to fee charging charities.

Residency in the home is available to all elderly people in need no matter what background, faith, gender or personal circumstances although our Charitable Trust does require us to give preference to women. There is a trial period of residency to make sure the needs of the applicant can be met followed by a welcome meeting.

**BAXENDALE CARE HOME
REPORT OF THE TRUSTEES (Continued)
For the year ended 31 March 2023**

Fees are usually set to balance annual outgoings, including regular maintenance, but after crediting all charitable income and on a 95% occupancy rate. This policy has been revised during the current emergency and whilst the building alterations are in progress. No allowance is made for rent as the Trust owns the freehold of the building within its Permanent Endowment Fund. We do not seek to raise funds externally and legacy income is used to offset revenue costs unless there was a restriction placed on the gift. In this way the Trustees aim to protect the Permanent Endowment Fund for future generations. Allowance has to be made for a reduced rate payable by local authorities and the resulting rate is the fee charged to residents who are financially independent.

During the accounting year up to 10 rooms were out of commission, either being converted or used for other activities. Of the rooms remaining up to 15 are set aside for use by local authorities who will give financial assistance to those who have less than a minimum of capital, currently £23,250. The authority has to be convinced the applicant needs residential care and will then approach us and we will negotiate a fee with them which is on average £220 per week below our rate for those who are financially independent. Admissions are assessed by reference to the Charity's aim on a case by case basis and on individual needs. Where someone qualifies for local authority assistance, the Trustees admit that person on the basis of their need for care. Where a third party contribution is possible this will be addressed during the trial period but where this is not possible the Trustees will accept the individual based on local authority funding only. Currently the Boroughs have only taken up 7 of the rooms available.

With the Mary Westby Fund it is anticipated that we should be able to accommodate all who apply, and are suitable, even if they cannot obtain full funding from a local authority.

No resident has ever been asked to leave the home on the grounds that they cannot pay the fees.

Arrangements for setting pay

All staff pay is reviewed on at least an annual basis. The Trustees have decided the minimum hourly rate will correspond to the last announced London Living Wage hourly rate and that the differential with more senior staff will be retained. Exceptional performance is reviewed on an ad hoc basis.

Aims and Plans for the future

At present we are looking at how best we can use the resources available to us. As mentioned above major improvements and repairs, for which we have planning consent, are under consideration and we hope to include work on our West Wing which accommodates those living with dementia.

Financial statements

The accounts comply with current statutory requirements, the requirements of the Charity's governing document and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS102).

ON BEHALF OF THE TRUSTEES

Ms. Fiona Halstead
Chairperson
Dated:

Opinion

We have audited the financial statements of Baxendale Care Home (the 'Charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements numbered 1-16, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2023, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or

- we have not received all the information and explanations we require for our audit.

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Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities statement, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Identifying and testing significant manual journal entries and reviewing assumptions and judgements made by management in making significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

Use of Our Report

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

Chartered Certified Accountants
Statutory Auditor

Woodgate Studios
2-8 Games Road
Cockfosters
Hertfordshire
EN4 9HN

Dated:.....

NA Associates LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 March 2023

	Notes	Unrestricted Income Funds £	Restricted Income Fund £	Permanent Endowment Fund £	Total 2023 £	Total 2022 £
Income and endowments from:						
Income from Charitable activities						
Donations and legacies		58,418	-	-	58,418	3,303
Charitable activities		1,355,725	-	-	1,355,725	1,454,723
Income from Investments						
Investment and other income		-	-	285,067	285,067	263,520
Other income		<u>10,732</u>	<u>-</u>	<u>-</u>	<u>10,732</u>	<u>101,881</u>
Total Income and endowments		<u>1,424,875</u>	<u>-</u>	<u>285,067</u>	<u>1,709,942</u>	<u>1,823,427</u>
Expenditure on:						
	1					
Charitable activities		1,974,470	-	-	1,974,470	1,984,356
Other		<u>41,447</u>	<u>-</u>	<u>-</u>	<u>41,447</u>	<u>60,503</u>
Total expenditure		<u>2,015,917</u>	<u>-</u>	<u>-</u>	<u>2,015,917</u>	<u>2,044,859</u>
Net income / (expenditure) before						
Gains / (losses) on investments		(591,042)	-	285,067	(305,975)	(221,432)
Net gains / (losses) on investments		<u>(27,448)</u>	<u>-</u>	<u>(956,139)</u>	<u>(983,587)</u>	<u>646,243</u>
Net income / (expenditure)		(618,490)	-	(671,072)	(1,289,562)	424,811
Gains / (losses) on Fixed assets		-	-	-	-	-
Transfers between funds	2	<u>285,067</u>	<u>-</u>	<u>(285,067)</u>	<u>-</u>	<u>-</u>
Net movement in funds		(333,423)	-	(956,139)	(1,289,562)	424,811
Reconciliation of funds:						
Total funds brought forward						
at 1 April 2022		<u>2,424,092</u>	<u>-</u>	<u>10,880,182</u>	<u>13,304,274</u>	<u>12,879,463</u>
Total funds carried forward						
at 31 March 2023		<u>2,090,669</u>	<u>-</u>	<u>9,924,043</u>	<u>12,014,712</u>	<u>13,304,274</u>

All amounts relate to continuing activities.

The statement of financial activities includes all gains and losses recognised in the year.

The 2022 comparative analysis is shown in note 16.

The notes on pages 10 to 16 form part of these financial statements

BALANCE SHEET
31 March 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	4	4,372,903	3,364,599
Investments	5	<u>6,080,520</u>	<u>7,886,660</u>
		<u>10,453,423</u>	<u>11,251,259</u>
CURRENT ASSETS			
Stock	3,608	2,731	
Debtors and prepayments	7	48,760	324,228
Investments	6	124,864	151,312
Cash at bank and in hand		<u>1,510,891</u>	<u>1,852,420</u>
		<u>1,688,123</u>	<u>2,330,691</u>
CREDITORS: amounts falling due within one year	8	<u>126,834</u>	<u>277,676</u>
NET CURRENT ASSETS		<u>1,561,289</u>	<u>2,053,015</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,014,712	13,304,274
CREDITORS: amounts falling due after one year	9	<u>-</u>	<u>-</u>
TOTAL ASSETS LESS LIABILITIES		<u>12,014,712</u>	<u>13,304,274</u>
CAPITAL FUND			
Permanent Endowment Fund	10/16	9,924,043	10,880,182
INCOME FUND			
Restricted Fund	12	-	-
Unrestricted Fund		1,358,675	1,714,650
Designated Funds	11	<u>731,994</u>	<u>709,442</u>
TOTAL FUNDS		<u>12,014,712</u>	<u>13,304,274</u>

Approved by the Board of Trustees on
and signed on their behalf by

..... Trustee
Ms Fiona Halstead - Chair of Trustees

The notes on pages 10 to 16 form part of these accounts.

STATEMENT OF CASH FLOWS
For the year ended 31 March 2023

	2023 £	2022 £
Cash flow from operating activities	<u>(453,702)</u>	<u>615,209</u>
Cash flow from investing activities		
Payments to acquire tangible fixed assets	(1,021,896)	(774,119)
Payments to acquire investments	(1,000)	(1,000)
Investments realised (acc. Divis paid)	-	-
Investment income received	285,067	263,520
Proceeds from liquidation of investment	<u>850,000</u>	<u>-</u>
Net cash flow from investing activities	<u>112,171</u>	<u>(51,599)</u>
Net cash flow from financing activities	<u>(341,531)</u>	<u>103,610</u>
Net increase in cash and cash equivalents		
Cash and cash equivalents at 1 April 2022	1,852,420	1,748,810
Cash and cash equivalents at 31 March 2023	<u>1,510,891</u>	<u>1,852,420</u>
	<u>(341,529)</u>	<u>103,610</u>
Cash and cash equivalents consist of:		
Cash at bank and in hand	1,510,891)	1,852,420
Long term loan	<u>-</u>	<u>-</u>
	<u>1,510,891</u>	<u>1,852,420</u>
Reconciliation of net income / (expenditure) to net cash flow from operating activities		
Net income / (expenditure) for year	(1,289,562)	424,811
Investment income received	(285,067)	(263,520)
Depreciation of fixed assets	13,592	14,983
(Gains) / losses on investments	983,587	(646,243)
(Increase) / decrease in stock	(878)	
(Increase) / decrease in debtors	275,468	(982,879)
(Decrease) / increase in creditors	(150,842)	102,148
Net cash flow from operating activities	<u>(453,702)</u>	<u>615,209</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

ACCOUNTING POLICIES

As set out in the Charities SORP, conversion of the charity from an unincorporated trust to a CIO was accounted for as a merger in the period ended 31 March 2022. The impact of this is that the assets, liabilities and funds are presented as though they had always been part of the CIO.

The principal accounting policies adopted in preparing the financial statements are set out below:-

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), The Charities Act 2011, and UK Generally Accepted Practice.

The financial statements are prepared under the historical cost convention, modified by the revaluation of investment properties and investments. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

The significant areas of judgement and key assumptions affecting the financial statements include the valuation of the investment properties, see note 5. With respect to future periods, the significant area of uncertainty remains the performance of the investments of the Charity. Investment policy considerations are detailed in the Trustees Report.

GOING CONCERN

The financial statements have been prepared on a going concern basis. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

INCOME

Donations and legacies are accounted for as their amount and receipt are probable.

Investment Income comprises mainly dividends, rents and interest on funds invested which are credited to Permanent Endowment in accordance with the Application of the Power of Total Return.

Charitable Activities comprises fees charged to residents and Local Authorities for residents on an accruals basis. Income received in advance is included in deferred income in creditors

EXPENDITURE

Expenditure on Charitable Activities comprise those expenses directly related to the principal activity of running a residential home for the elderly. All expenditure is accounted for on an accruals basis and is fully analysed in the notes.

Other expenses represent the costs of the Secretary/Treasurer in dealing with matters relating to governance including providing information to the Trustees, internal audit, legal and external audit fees.

PENSION CONTRIBUTIONS

During the year contributions continued to a defined contribution workplace pension scheme for all employees.

TANGIBLE FIXED ASSETS

The Trustees capitalise all fixed assets that cost more than £1,000 and have a useful life of more than 5 years. All tangible fixed asset categories are stated at cost.

DEPRECIATION

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

Equipment	- 10% straight line basis
Furniture, fixtures and fittings	- 10% straight line basis
Conservatory	- 10% straight line basis

No depreciation has been calculated on the freehold property used as a functional asset as it is the Trustees opinion that the residual disposal value is at least equal to the book value and that any depreciation will be immaterial.

STOCK

Stock has been valued at the lower of cost and net realisable value.

INVESTMENTS

Investments in both current and fixed assets are carried forward at fair value and are included at mid-market value

at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 March 2023

Any changes in value during the year, whether realised or unrealised are reported as other recognised gains and losses in the Statement of Financial Activities. Income is accounted for on a receipts basis for quoted investments and an accrual basis for rents and interest.

INVESTMENT PROPERTIES

Investment properties for which fair value can be measured reliably without undue cost and effort are measured at fair value at each reporting date with changes in fair value recognised in net gains/losses in the SOFA.

DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

LOANS AND BORROWINGS

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a financial transaction it is measured at present value.

FUND ACCOUNTING

The Charity has the following funds for which it is responsible and are described more fully on pages 14-15.

Restricted – comprises the Comforts Fund where funds are raised for gifts and extra activities for residents.

Unrestricted – funds which are expendable at the discretion of the Trustees in furtherance of the objectives.

Designated – funds which have been set aside by the Trustees for specific purposes. The aim and use of the Designated Fund is set out in the notes to the financial statements.

RESOURCES EXPENDED

	2023 General Fund (unrestricted) £	2023 Comforts Fund (restricted) £	2023 Endowment Fund £	2023 Total £	2022 Total £
Charitable activities					
Staff salaries	1,456,052	-	-	1,456,052	1,524,277
Catering costs	100,993	-	-	100,993	95,010
Cleaning and household	40,607	-	-	40,607	41,708
Programme activities	5,652	-	-	5,652	2,757
Medical services	6,212	-	-	6,212	6,212
Registered fees	6,533	-	-	6,533	6,967
Garden	8,785	-	-	8,785	5,411
Property repairs & maint.	49,451	-	-	49,451	49,394
Repairs & renewal equipment	35,029	-	-	35,029	27,858
Light and heat	89,892	-	-	89,892	71,059
Rates	11,841	-	-	11,841	(8,303)
Insurance	19,393	-	-	19,393	18,826
Water and sewage	8,161	-	-	8,161	7,813
Waste collection	10,833	-	-	10,833	8,673
Depreciation	13,592	-	-	13,592	14,983
Equipment hire	9,679	-	-	9,679	14,013
Telephone	5,844	-	-	5,844	4,783
Printing, stationery & postage	8,318	-	-	8,318	8,396
Advertising, brochures and website	30,304	-	-	30,304	29,396
Sundry expenses	8,795	-	-	8,795	9,902
Gifts to residents	569	-	-	569	1,196
I T Support	5,741	-	-	5,741	6,371

Staff advertising & training	3,636	-	-	3,636	5,358
Book-keeping and secretarial	28,338	-	-	28,338	25,099
Consultancy	<u>10,220</u>	<u>-</u>	<u>-</u>	<u>10,220</u>	<u>7,197</u>
	<u>1,974,470</u>	<u>-</u>	<u>-</u>	<u>1,974,470</u>	<u>1,984,356</u>

BAXENDALE CARE HOME

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NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

				2023 £	2022 £
Other					
Secretarial services	28,337	-	-	28,337	25,098
Audit	5,160	-	-	5,160	4,730
Grant from Mary Westby Trust	-	-	-	-	-
Legal and professional	<u>7,950</u>	<u>-</u>	<u>-</u>	<u>7,950</u>	<u>30,675</u>
	<u>41,447</u>	<u>-</u>	<u>-</u>	<u>41,447</u>	<u>60,503</u>
	<u>2,015,917</u>	<u>-</u>	<u>-</u>	<u>2,015,917</u>	<u>2,044,859</u>
TOTAL RESOURCES EXPENDED					
	Staff Costs £	Depreciation £	Other Costs £	Total 2023 £	Total 2022 £
Charitable activities	1,505,503	13,592	455,375	1,974,470	1,984,356
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,447</u>	<u>60,503</u>
	<u>1,505,503</u>	<u>13,592</u>	<u>455,375</u>	<u>2,015,917</u>	<u>2,044,859</u>
Staff costs:					
Wages and salaries	1,298,667				1,402,128
Social security costs	121,556				120,639
Agency staff	27,482				4,133
Pension contributions	<u>57,798</u>				<u>61,053</u>
	<u>1,505,503</u>				<u>1,587,953</u>

No employee earned £60,000 p.a. or more from the Charity for the year.

	2023	2022
The average number of employees, analysed by function was		
Direct charitable expenditure	<u>62</u>	<u>63</u>

2. FUND TRANSFERS

The granting of the investment power of total return was given on 1 November 2006. During the year, the Trustees made a transfer of £285,067 unapplied total return to unrestricted funds in respect of the charitable activities of the Charity. This amount was the income receivable during the period from dividends, interest, rents and is comparable to the income that would have been credited without the power. In these circumstances it was thought unnecessary to take further advice.

3. TRANSACTIONS WITH TRUSTEES AND KEY MANAGEMENT PERSONNEL

No remuneration was paid to any Trustee (2022 - none). Total payments to key management personnel amounted to £224,165 for the period (2022 - £191,950).

There were no amounts reimbursed to the Trustees were for costs incurred by the Trustees on behalf of Baxendale (2022 - £nil).

4. TANGIBLE FIXED ASSETS

	Functional Conservatory	Freehold land & buildings	Equipment	Furniture, fixtures & fittings	Total
	£	£	£	£	£
Cost brought forward 1 April 2022	37,670	3,293,189	237,705	239,407	3,807,971
Additions	-	1,015,847	-	6,049	1,021,896
Transfer to Investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2023	<u>37,670</u>	<u>4,309,036</u>	<u>237,705</u>	<u>245,456</u>	<u>4,829,867</u>
Depreciation at 1 April 2022	30,991	-	201,846	210,535	443,372
Charge for period	<u>2,428</u>	<u>-</u>	<u>7,627</u>	<u>3,537</u>	<u>13,592</u>
At 31 March 2023	<u>33,419</u>	<u>-</u>	<u>209,473</u>	<u>214,072</u>	<u>456,964</u>

NET BOOK VALUES

At 31 March 2023	<u>4,251</u>	<u>4,309,036</u>	<u>28,232</u>	<u>31,384</u>	<u>4,372,903</u>
At 31 March 2022	<u>6,679</u>	<u>3,293,189</u>	<u>35,859</u>	<u>28,872</u>	<u>3,364,599</u>

The fixed assets are used by the Home for its charitable activities.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Year ended 31 March 2023

5. FIXED ASSET INVESTMENTS

	2023 £	2022 £
UK investment properties		
Opening cost / valuation 1 April 2022	3,355,000	3,075,000
Net unrealised investment gains / (losses)	<u>(780,000)</u>	<u>280,000</u>
Closing market value 31 March 2023	<u>2,575,000</u>	<u>3,355,000</u>
Closing historical cost as at 31 March 2023	<u>552,629</u>	<u>552,629</u>
UK investments listed on a recognised stock exchange		
Opening market value 1 April 2022	4,531,660	4,178,189
Net investment gains / (losses)	(176,140)	353,471
Realisation of investments	<u>(850,000)</u>	<u>-</u>
Closing market value 31 March 2023	<u>3,505,520</u>	<u>4,531,660</u>
Closing historic cost as at 31 March 2023	<u>2,856,625</u>	<u>3,530,039</u>
Closing total market value 31 March 2023	<u>6,080,520</u>	<u>7,886,660</u>
Closing total historic cost as at 31 March 2023	<u>3,409,254</u>	<u>4,082,668</u>

All of the listed investments are held in a collective managed fund.

Valuation

The freehold land and buildings held as Fixed Asset Investments were valued on an open market valuation as at 31 March 2023 by Mr Bruce Maunder-Taylor a Chartered Surveyor and a Trustee.

6. CURRENT ASSET INVESTMENTS

	2023 £	2022 £
Quoted Investments:		
Opening market value 1 April 2022	151,312	137,540
Additions – Extraordinary Repair Fund	1,000	1,000
Net unrealised investment gains / (losses)	<u>(27,448)</u>	<u>12,772</u>
Market value 31 March 2023	<u>124,864</u>	<u>151,312</u>
Closing historical cost as at 31 March 2023	<u>113,934</u>	<u>112,934</u>

7. DEBTORS

Prepayments	7,369	31,827
Legacy notified but not paid	30,000	273,132
Other debtors	<u>11,391</u>	<u>19,269</u>
	<u>48,760</u>	<u>324,228</u>

	2023 £	2022 £
8. CREDITORS: Amounts falling due within one year		
Trade creditors	17,809	31,676
Other taxation, social security and pension	31,233	39,613
Accruals	<u>77,792</u>	<u>206,387</u>
	<u>126,834</u>	<u>277,676</u>
9. CREDITORS: Amounts falling due after one year		
Loan	<u>-</u>	<u>-</u>

10. PERMANENT ENDOWMENT

The original Charity was created by Deed of Gift dated 31 October 1892 comprising of freehold land and property at Totteridge Lane, London N20 and investments. These were incorporated into a Scheme under the Seal of the Charity Commissioners dated 30 December 1960.

11. DESIGNATED FUNDS

The income funds of the Home include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes

	Movements in Reserves			Net realised Inv. Gains/losses	
	Balance 1.4.2022 £	Incoming/outgoing transfers 2023 £	2023 £	2023 £	Balance 31.03.23 £
Mary Westby	124,436	-	-	(27,176)	97,260
Repairs Res.	585,006	50,000	-	(272)	634,734
	<u>709,442</u>	<u>50,000</u>	<u>-</u>	<u>(27,448)</u>	<u>731,994</u>
	1.4.2021 £	2022 £	2022 £	2022 £	31.03.22 £
Mary Westby	74,819	40,000	-	9,617	124,436
Repairs Res.	531,853	50,000	-	3,153	585,006
	<u>606,672</u>	<u>90,000</u>	<u>-</u>	<u>12,770</u>	<u>709,442</u>

Market value of investments held in Repairs Reserve as at 31 March 2023 32,027

Market value of investments held in Mary Westby Fund as at 31 March 2023 92,837

Historic cost of investments at 31 March 2023 113,934

The Repairs Reserve is designated for the long term maintenance requirements of the Home. The Mary Westby Fund is being held to assist any resident, or potential resident, who may not be able to meet our fees either from their own resources or from Borough funding. Application should be made to the Trustees who will consider each case on merit.

12. RESTRICTED FUNDS

	Balance 1.4.22 £	Incoming/ Transfer £	2023 £	Outgoing 2023 £	Balance 31.03.23 £
Comforts Fund 2022/23	-	-	-	-	-
	1.4.21 £	2022 £	2022 £	2022 £	31.03.22 £
Comforts Fund 2021/22	-	-	-	-	-

The Comforts Fund was established many years ago to raise funds to be used for outings and other leisure activities for residents. The Fund is administered by the House Committee. Due to Covid it was not possible to hold the usual fund raising events so the usual costs for flowers have been met from General Funds.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Investments £	Net Current Assets / (Liabilities) £	Amounts due > 1 yr £	Total £
UNRESTRICTED FUNDS					
General	529,379	-	829,296	-	1,358,675
Designated	-	124,864	607,130	-	731,994
	529,379	124,864	1,436,426	-	2,090,669
RESTRICTED FUNDS					
Comforts Fund	-	-	-	-	-
	529,379	124,864	1,436,426	-	2,090,669
ENDOWMENT FUND	<u>3,843,524</u>	<u>6,080,519</u>	<u>-</u>	<u>-</u>	<u>9,924,043</u>
	<u>4,372,903</u>	<u>6,205,383</u>	<u>1,436,426</u>	<u>-</u>	<u>12,014,712</u>

14. RELATED PARTY TRANSACTIONS

During the period 1 April 2022 to 31 March 2023 £0 (Period 1 April 2021 to 31 March 2022 - £33,900) was paid to Mr B M Hosier, Chartered Accountant, for dealing with administration matters on behalf of the Trustees including secretarial, accounting and general advice. Mr Hosier is treasurer but not a Trustee and became an employee on 1 January 2022.

15. FUTURE COMMITMENT

During the previous year a contract was signed for the conversion of a number of bedrooms on the 1st and 2nd floor long corridors and this contract has been completed and either paid or any balance included in creditors. A further contract was signed in August 2022 for similar work on the short corridors for £1,229,194 and at the accounting date £778,796 was paid and funds made available for the balance of £450,398 not provided for in these accounts.

16. APPLICATION OF THE POWER OF TOTAL RETURN

The Charity Commission permitted the Trust to adopt the use of total return in relation to its permanent endowment investments and this has been applied since 1 January 2006. The power permits the Trustees to invest the portfolio to maximise total return and to apply an appropriate portion of the total return to income each year. Until the power is exercised to transfer a portion of unapplied total return to income (as disclosed in the fund transfers, note 2), the unapplied total return remains invested as part of the Permanent Endowment. The original gift to the Charity was estimated as at 30 December 1960 and agreed with the Charity Commission. The balance of the Permanent Endowment as at 1 January 2006 was then agreed as the unapplied total return.

The investment fund and application of total return to permanent endowment:	2023 £	2022 £
Unapplied total return as at 1 April 2022	10,601,421	9,558,332
Add: Investment return: Dividends, interest, rents	285,067	263,520
Gains and losses	(956,139)	643,089
	-	-
	9,930,349	10,864,941
Less: Unapplied total return applied	(285,067)	(263,520)
	9,645,282	10,601,421
Balance to carry forward	9,645,282	10,601,421
Add: Original value of the gift 30 December 1960	278,761	278,761
Permanent Endowment Fund including unapplied total return	<u>9,924,043</u>	<u>10,880,182</u>

17. STATEMENT OF FINANCIAL ACTIVITIES (2022)

The following is the Statement of Financial Activities for the comparative year ended 31 March 2022:

	Unrestricted Income Funds £	Restricted Income £	Permanent Endowment Fund £	Total 31 March Fund £	2022
Income and endowments from:					
Income from Charitable activities					
Donations and legacies	3,303	-	-	3,303	
Charitable activities	1,454,723	-	-	1,454,723	
Income from Investments	-	-	263,520	263,520	
Other income	<u>101,881</u>	-	-	<u>101,881</u>	
Total Income and endowments	<u>1,559,907</u>	-	<u>263,520</u>	<u>1,823,427</u>	
Expenditure on:					
Charitable activities	1,984,356	-	-	1,984,356	
Other	<u>60,503</u>	-	-	<u>60,503</u>	
Total expenditure	<u>2,044,859</u>	-	-	<u>2,044,859</u>	
Net income / (expenditure) before Gains / (losses) on investments	(484,952)	-	263,520	(221,432)	
Net gains / losses on investments	<u>3,154</u>	-	<u>643,089</u>	<u>646,243</u>	
Net income / (expenditure)	(481,798)	-	906,609	424,811	
Gains / (losses) on revaluation Fixed assets	-	-	-	-	
Transfers between funds	<u>263,520</u>	-	<u>(263,520)</u>	-	
Net movement in funds	(218,278)	-	643,089	424,811	
Reconciliation of funds:					
Total funds brought forward at 1 January 2021	<u>2,642,370</u>	-	<u>10,237,093</u>	<u>12,879,463</u>	
Total funds carried forward at 31 March 2022	<u>2,424,092</u>	-	<u>10,880,182</u>	<u>13,304,274</u>	