

St Teresa's Home CIO
Annual Report and Accounts

31 March 2024

Charity Registration Number
1189921

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Reference and administration details of the charity, its trustees, and advisers

Trustees	Sister Patricia Mary Heller David Hince Gabriel MacGregor Sister Mary Josephine Hannigan Sister Jennifer Rosemary Brown
Correspondence Address	12 Lansdowne Road Wimbledon London SW20 8AN
Charity registration number	1189921
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	National Westminster Bank plc Wimbledon Branch 16 Wimbledon Hill Road Wimbledon London SW19 7NN
Principal investment managers and advisers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ
Solicitors	Irwin Mitchell LLP Mercantile House 18 London Road Newbury RG14 1JX Stone King LLP Boundary House 91 Charterhouse Street London EC1M 4BS

The trustees present their report together with the accounts of the St Teresa's Home CIO (the "charity" or the "CIO") for the year ended 31 March 2024.

The accounts have been prepared in accordance with the accounting policies set out on pages 17 to 21 and comply with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The principles set out in 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 United Kingdom and Republic of Ireland (FRS 102) have been followed in the preparation of this report and accounts.

Introduction

St Teresa's Home CIO was registered with the Charity Commission on 12 June 2020. The charity operates one care home for the elderly and is registered as a 'Care Home with Nursing' with the CQC (Care Quality Commission).

The charity is governed by a Constitution.

Objective

The aim of the charity is to relieve sickness by reason of age, illness, or disability.

The charity commenced activity on 1 December 2021. With effect from midnight on 30 November 2021, the assets, liabilities and activities of St Teresa's Home for the Elderly in Wimbledon, London (St Teresa's or the Home), previously part of the Congregation of the Sisters of St Anne Charitable Trust (Charity Registration No. 233808), were transferred to the charity in accordance with a legal transfer deed.

The aim of the charity is to operate the Home and provide a happy, homely, and relaxed atmosphere where the residents are cared for until the end of their days. To that end, all the staff are encouraged to work as a team maintaining a high professional standard of care for the residents' total needs ensuring the dignity of each individual is upheld. The residents will be supported and enabled to maintain their independence for as long as possible.

Activities, specific objectives and relevant policies

Activities and specific objectives

The philosophy of care at the Home is to ensure a homely, friendly and open atmosphere among residents and staff whilst maintaining the privacy, dignity, rights and quality of life of all residents.

The Home provides long-term residential and nursing care for the elderly. It also offers short-term respite care for those coming out of hospital or to enable carers to take a break.

Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

There are 24 rooms at St Teresa's, many with en-suite facilities. Each room has a telephone and television and is linked to the call system. All areas of the Home are accessible by either stairs or lifts, and residents are encouraged to take meals in the dining room. The Home has spacious communal areas where residents are encouraged to sit and talk to one another, watch television or partake in one of the very many activities or social events organised by the staff. The Home has a chapel and landscaped grounds.

In operating this Home, the trustees of the charity aim to:

- ◆ Provide excellent residential and nursing care to elderly men and women, ensuring that their needs are met fully and that they enjoy as high a quality of life as possible;
- ◆ Employ high quality staff to care for the elderly residents ensuring that all such staff obtain the necessary qualifications and training needed for their work;
- ◆ Ensure that the Home meets the requirements of the Care Quality Commission and that any recommendations arising from inspections are acted upon quickly and effectively; and
- ◆ Maintain the financial security of the Home through careful budgeting and by setting fees at levels that ensure the viability of the Home is not threatened.

The trustees remain aware at all times of the need to provide public benefit and they have had regard to the Charity Commission's guidance on this.

Achievements and performance

During the year, Matron and her Deputy applied for the Gold Standards Framework Award (end of life care of residents in their final months/weeks, which they have been doing since 2012). The Home was presented with a Platinum Award 2022 to 2025, and then was nominated for Home Of The Year Award (with many other Homes), which gave the staff morale a great boost. It is the dignity with which all are cared for that matters not only for our residents but their families also.

Some staff have moved on in their careers and we have been able to recruit others through our own staff which has been a great asset in the climate of recruiting staff in our field today.

Investment policy

Rathbone Investment Management Limited manage the charity's listed investments on a discretionary basis. There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment managers' view of the market prospects in the medium term. The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised by the trustees from time to time. There is also an Ethical Policy precluding investment in any company which, after reasonable enquiry, clearly has significant profits from an activity which is contrary to the objectives of the Catholic Church.

Activities, specific objectives and relevant policies (continued)

Investment policy (continued)

The performance of the portfolio and the charity's investment strategy are reviewed by the trustees who meet with the investment managers annually.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. The charity has received no complaints about its fundraising activities.

Financial review

Results for the year

A summary of the year's results can be found on page 13 of this report and accounts.

Income for the year was £1,555,255 (2023 - £1,447,227). £1,532,585 (2023 - £1,418,024) related to fees receivable from the charity's care home.

Expenditure totalled £1,620,577 (2023 - £1,504,063) with staff costs representing a significant proportion of this and amounting to £1,243,655 (2023 - £1,202,938).

Therefore, net expenditure for the year before investment gains was £65,322 (2023 – net expenditure before investment losses was £56,836). After accounting for net investment gains of £34,602 (2023 – net investment losses of £40,718) there was a decrease in funds for the year of £30,720 (2023 – net decrease in funds of £97,554).

Investment performance

At 31 March 2024, the charity had a portfolio of listed investments with a market value of £709,746 (2023 - £638,729) and the investment managers held a further £5,113 (2023 - £51,733) of cash for re-investment.

The charity's investments achieved income of £14,063 (2023 - £13,105). The investment managers continue to invest in accordance with the trustees' investment policy set out earlier in this report and to comply with the ethical guidelines given to them. At the end of the year, the charity's portfolio of listed investments comprised 55.03% (2023 – 53.75%) UK equities, 15.30% (2023 - 14.35%) UK fixed interest stocks, and 29.67% (2023 – 31.91%) overseas unit trusts.

Financial review (continued)

Reserves policy and financial position

Reserves policy

The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of free reserves should be approximately equal to six to twelve months' expenditure.

Financial position

The balance sheet shows total reserves of £1,792,033 (2023 - £1,822,753). Of this, £1,092,801 (2023 - £1,071,852) is represented by properties and other tangible fixed assets essential for the work of the Home.

Funds available to support the work of the charity in the future are shown as general funds (i.e. free reserves) on the balance sheet and amount to £699,232 (2023 - £750,901). This figure needs to be considered in the light of annual expenditure of £1.6m.

The trustees believe that free reserves are adequate at the present time and consistent with the above reserve policy albeit at the lower end of the policy. The trustees remain cautious about the impact of the current macroeconomic and geopolitical climate on the charity.

Governance, structure, and management

Governance

The charity is a Charitable Incorporated Organisation (CIO) governed by a Constitution and registered with the Charity Commission on 12 June 2020.

The members of the CIO are the charity's trustees. If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and have no personal responsibility for settling its debts and liabilities.

The names of the trustees are given on page 1 of this document.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities, and assets of the charity. They meet regularly to review developments with regard to the charity or its activities and make any important decisions. When necessary, the trustees seek advice and support from the charity's professional advisers including investment managers, solicitors, and accountants.

Trustees

At any time there must be a minimum of three trustees.

There is no maximum number of trustees that may be appointed to the CIO.

In selecting individuals for appointment the charity trustees have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

Governance, structure, and management (continued)

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial period which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts 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 accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the constitution. 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.

Key management personnel

The trustees consider that they, together with the Registered Care Manager of St Teresa's Home, the Administrator and the Office Manager comprise the key management personnel of the charity.

The trustees receive no remuneration in respect of their duties.

Risk management

The trustees have identified and considered the major risks to which the charity is exposed. Systems have been established to mitigate those risks and the risk policies which have been developed will be regularly updated and adapted as circumstances change.

Governance, structure, and management (continued)

Risk management (continued)

The trustees intend to undertake an annual review of the principal risks and uncertainties that the charity faces categorising the risks between those affecting the governance and management of the charity, operational risks, financial risks, reputational risks and those which occur because of circumstances outside of the charity's control such as changes in government policy, laws and regulations. They will regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures should they be needed to minimise or manage any potential impact on the charity should those risks materialise.

Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks.

Key risks are described below together with the principal ways in which they are mitigated:


- ◆ Operationally the charity works with vulnerable adults including older people. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves. This means that staff and volunteers must obtain clearance from the Disclosure and Barring Service (DBS). In addition, the trustees have established systems of on-going safeguarding training; to update internal policies; and to ensure staff and volunteers are kept informed about good practice in work.
- ◆ St Teresa's Home operates in a highly regulated field of activity and as such is subject to regular inspection by a number of agencies. The result of this degree of scrutiny is that operational risk policies are very well developed in the areas of quality of service, health and safety of residents and employees and employment issues. The Registered Manager with experience of running health care organisations advises the trustees of the myriad of clinical, care and other risks associated with the operation of the care home including, for example, safeguarding (see above); the chronic shortage of qualified nurses and care assistants; the continuing challenges of social care funding and uncertainty about which reforms, and when, might be introduced by the new government; and the changing regulatory environment including alterations to the inspection regime of the Care Quality Commission and the need for specific written policies.
- ◆ The charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by a reputable investment manager who adheres to a policy agreed by the trustees. The trustees meet with the investment manager and the manager's performance and that of the portfolio are monitored.

Future plans

It is the intention of the trustees to continue to operate one high quality care home and, in particular:

- ◆ To provide the highest possible quality of care for the residents in a dignified and friendly environment;
- ◆ To achieve average occupancy rates in excess of 90%;
- ◆ To meet the requirements laid down by law and continue to attain high success rates in inspections carried out by the Care Quality Commission;
- ◆ To continue the ongoing rolling programme of refurbishment with the possibility of updating bathrooms and bedrooms as needed.
- ◆ To continue to employ high quality staff and ensure that they are given appropriate and relevant training;
- ◆ To continue to provide high standard 'in house' training for 'moving and handling' and fire lectures, which are obligatory; and
- ◆ To have regard to the impact of the requirements of the Care Act 2014 on the home.

Signed on behalf of the trustees

Trustee 

Approved by the trustees on: 15th November 2024

Independent auditor's report to the trustees of St Teresa's Home CIO

Opinion

We have audited the accounts of St Teresa's Home CIO (the charity) for the year ended 31 March 2024, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts 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

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 accounts

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

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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:

How the audit was considered capable of detecting irregularities including fraud

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

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with representatives from the trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); the Care Act 2014 and related legislation, and safeguarding regulations; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of representatives from the trustees and review of minutes of trustees' meetings.

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

- ◆ Making enquiries of representatives from the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud
(continued)

- ◆ 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 and reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing of expenditure including the authorisations thereof;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing accounts disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of 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 trustees 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 accounts 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.



Date: 18 November 2024

Buzzacott LLP
Statutory Auditor
130 Wood Street
London

EC2V 6DL

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

Statement of financial activities Year to 31 March 2024

Unrestricted Funds			2024	2023
	Notes		£	£
Income from:				
Donations and legacies			4,708	9,117
Investments and interest receivable			14,063	13,105
Charitable activities				
. Provision of care for the elderly	1		1,532,585	1,418,024
Other sources			3,899	6,981
Total income			1,555,255	1,447,227
Expenditure on:				
Raising funds				
. Investment management fees			10,312	9,929
Charitable activities				
. Provision of care for the elderly	2		1,610,265	1,494,134
Total expenditure			1,620,577	1,504,063
Net (expenditure) income before net investment losses	4		(65,322)	(56,836)
Net investment gains (losses)			34,602	(40,718)
Net (expenditure) income and net movement in funds			(30,720)	(97,554)
Reconciliation of funds				
Balances brought forward at 1 April 2023			1,822,753	1,920,307
Balances carried forward at 31 March 2024			1,792,033	1,822,753

The Home has no recognised gains and losses other than those shown above and, therefore, no separate statement of total recognised gains and losses has been presented.

All activities of the Home derived from continuing operations during the above two financial periods.

Balance sheet 31 March 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	8		1,092,801		1,071,852
Investments	9		714,859		690,462
			<u>1,807,660</u>		<u>1,762,314</u>
Current assets					
Debtors	10	130,470		126,169	
Cash at bank and in hand		<u>132,842</u>		<u>216,267</u>	
		263,312		342,436	
Liabilities					
Creditors: amounts falling due within one year	11	(278,939)		(281,997)	
Net current assets			<u>(15,627)</u>		<u>60,439</u>
Total net assets			<u>1,792,033</u>		<u>1,822,753</u>
Represented by:					
Funds and reserves					
Unrestricted income funds					
. Tangible fixed assets fund	12		1,092,801		1,071,852
. General fund			<u>699,232</u>		<u>750,901</u>
			<u>1,792,033</u>		<u>1,822,753</u>

Approved by the trustees
and signed on their behalf by:

Trustee *Patricia Allred*

Approved on: *15th November 2024*

Statement of cash flows Year to 31 March 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(29,590)	67,735
Cash flows from investing activities:			
Investment income and interest received		14,451	12,885
Proceeds from the disposal of investments		767,979	137,250
Purchase of investments		(804,394)	(137,198)
Purchase of tangible fixed assets		(78,491)	(8,238)
Net cash (used in) provided by investing activities		(100,455)	4,699
Change in cash and cash equivalents in the year		(130,045)	72,434
Cash and cash equivalents at 1 April 2023		268,000	195,566
Cash and cash equivalents at 31 March 2024	B	137,955	268,000

Notes to the statement of cash flows for the year to 31 March 2024.

A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	2024 £	2023 £
Net movement in funds (as per the statement of financial activities)	(30,720)	(97,554)
Adjustments for:		
Depreciation charge	57,542	61,139
(Gains) losses on investments	(34,602)	40,718
Loss on disposal of tangible fixed assets	—	2,136
Investment income and interest receivable	(14,063)	(13,105)
(Increase) decrease in debtors	(4,689)	8,752
(Decrease) increase in creditors	(3,058)	65,649
Net cash (used in) provided by operating activities	(29,590)	67,735

B Analysis of cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	132,842	216,267
Cash held by investment managers	5,113	51,733
Total cash and cash equivalents	137,955	268,000

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the period for the year to 31 March 2024 with comparative figures for the year to 31 March 2023.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The items in the accounts where these judgments and estimates have been made include:

- ◆ assessing the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge;
- ◆ assessing the recoverability of any debts for residential and care home fees and the need for a provision against doubtful or bad debts;
- ◆ determining the probability of the receipt of legacies which are measurable and to which the charity is entitled; and
- ◆ estimating the future income and expenditure flows of the charity in order to assess the going concern (see below).

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

Assessment of going concern (continued)

Whilst the current macroeconomic and geopolitical climate will present some challenges, the trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received.

Income comprises donations, legacies, investment income, interest receivable, fees and related charges in respect to residential and nursing care provision and other income.

Donations and grants are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations and/or grants pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation or grant is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102, no value has been placed on services provided by volunteers.

Legacies are included in the statement of financial activities when the charity and/or the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Investment income is recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Fees and related charges in respect to the provision of residential and nursing care are measured at fair value of the consideration received or receivable being the invoiced amount excluding discounts and rebates. Provision is made against any amount deemed irrecoverable or where the debt is doubtful.

Income recognition (continued)

All other income, including grants received, is recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be measured reliably. It is measured at fair value and accounted for on an accruals basis.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. The classification between activities is as follows:

- ◆ Expenditure on raising funds comprising investment management fees.
- ◆ Expenditure on the provision of residential and nursing care facilities for the elderly at the Home

All expenditure is stated inclusive of irrecoverable VAT.

Support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All expenditure on support and governance is attributed directly to the provision of nursing and residential care. Hence, there has been no apportionment between expenditure headings.

Tangible fixed assets

All assets costing more than £1,500 and with an expected useful life exceeding one year are capitalised. The tangible fixed assets were transferred to the charity with effect from midnight on 30 November 2021 with the cost and accumulated depreciation reflecting the values transferred across from the Congregation of the Sisters of St Anne Charitable Trust as at that date. These values represented the original cost of the assets to the Congregation of the Sisters of St Anne Charitable Trust and the depreciation charged on the assets up to the date of transfer.

- ◆ Freehold land and buildings
Freehold land and buildings are included at cost. Depreciation calculated using a straight line basis is provided at 2% per annum in order to write the buildings off over their estimated useful economic life.

Tangible fixed assets (continued)

- ◆ Freehold improvements
Improvements to facilities and refurbishment projects are capitalised and depreciated over a ten year period on a straight line basis.
- ◆ Furniture and equipment
Furniture and equipment is included in the accounts at cost and depreciated over a four year period on a straight line basis.
- ◆ Motor vehicles
Motor vehicles are capitalised at cost and depreciated over a four year period, on a straight line basis, in order to write off the cost of each vehicle over its estimated useful life.

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

A key financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

The funds of the charity are in the main unrestricted and available for use in furtherance of the charity's objectives at the discretion of the trustees. Within the total unrestricted funds of the charity, the trustees have identified separately those funds representing tangible fixed assets (see note 12).

Pensions

The charity offers its employees membership of a defined contribution pension scheme administered by the National Employment Savings Trust (NEST). Contributions to the scheme are debited to the statement of financial activities in the year which they are payable to the scheme. The assets of the scheme are held by an independent corporate trustee, whose activities are governed by the National Employment Savings Trust Order 2010, made by the Secretary of State in exercise of powers confirmed under the Pensions Act 2008.

Notes to the accounts Year to 31 March 2024

1 Income from: Provision of care for the elderly

	2024 £	2023 £
Residential and nursing care fees	1,609,505	1,468,409
Less: subsidies to residents	(76,920)	(50,385)
	1,532,585	1,418,024

2 Expenditure on: Provision of care for the elderly

	2024 £	2023 £
Staff costs	1,218,796	1,202,938
Premises	186,383	98,388
Provisions	61,123	52,456
Residents' welfare and medical expenses	26,404	27,213
Depreciation	57,542	61,139
Other support and governance costs	60,017	52,000
	1,610,265	1,494,134

3 Governance costs

	2024 £	2023 £
Audit fees	13,740	7,800

4 Net expenditure (income) before net investment gains (losses)

This is stated after charging (crediting):

	2024 £	2023 £
Staff costs (note 5)	1,218,796	1,202,938
Depreciation	57,542	61,139
Loss on disposal of tangible fixed assets	—	2,136
Audit fees		
. 2022	—	(1,200)
. 2023	—	9,000
. 2024	13,740	—

5 Staff costs and key management personnel

	2024 £	2023 £
Staff costs during the year were as follows:		
Wages and salaries	1,081,064	1,066,625
Social security costs	103,459	108,490
Pension contributions	34,273	27,247
	1,218,796	1,202,362
Agency staff	—	576
	1,218,796	1,202,938

5 Staff costs and key management personnel (continued)

The average number of employees, analysed by function, was:

	2024	2023
Residential and nursing care	32	33
Management	4	4
	36	37

Key management personnel

The key management personnel of the Home in charge of directing and controlling, running and operating the Home on a day to day basis comprise the trustees together with the Registered Care Manager, the Administrator and the Office Manager. The trustees have delegated the responsibility of running the Home to the Administrator, Sister Patricia Heller, who is also a trustee. Nursing staff report to the Registered Care Manager. All other staff report to the Administrator. The total remuneration (including taxable benefits) of the key management personnel for the year was £165,676 (2023 - £150,379).

Higher paid staff

The number of employees whose employee benefits (excluding employer pension and employer national insurance costs) fell within the following bands was:

	2024 Number	2023 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1

The employer's pension contributions in respect to these employees were £6,456 (2023 - £4,843).

6 Trustees' remuneration and expenses

The Administrator is a member of the Roman Catholic Congregation of the Sisters of St Anne. A charitable contribution of £36,761 (2023 – £37,354) is made by the Home to The Congregation of the Sisters of St Anne Charitable Trust in recognition of her services as Administrator of the Home. This contribution and the pay of the Registered Care Manager of the Home is reviewed annually by the trustees. The payments generally are increased in line with average earnings within the Home.

Two of the trustees received remuneration totalling £47,519 (2023 - £49,765) directly from the Home in respect of their services.

One trustee received reimbursement of expenses during the year totalling £40 (2023 - £nil).

No amounts were donated by the trustees to the charity in the year to 31 March 2024 (2023 - £nil).

7 Taxation

St Teresa's Home CIO is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Tangible fixed assets

	Freehold land and buildings – specialised £	Freehold improvements £	Furniture, equipment and improvements £	Motor vehicles £	Total £
Cost					
At 1 April 2023	1,595,954	97,841	457,235	17,023	2,168,053
Additions	—	—	78,491	—	78,491
At 31 March 2024	<u>1,595,954</u>	<u>97,841</u>	<u>535,726</u>	<u>17,023</u>	<u>2,246,544</u>
Depreciation					
At 1 April 2023	665,194	34,391	379,593	17,023	1,096,201
Charge for the period	30,235	1,957	25,350	—	57,542
At 31 March 2024	<u>695,429</u>	<u>36,348</u>	<u>404,943</u>	<u>17,023</u>	<u>1,153,743</u>
Net book values					
At 31 March 2024	<u>900,525</u>	<u>61,493</u>	<u>130,783</u>	<u>—</u>	<u>1,092,801</u>
At 31 March 2023	<u>930,760</u>	<u>63,450</u>	<u>77,642</u>	<u>—</u>	<u>1,071,852</u>

9 Investments

	2024 £	2023 £
Market value at 1 April 2023	638,729	679,499
Additions at cost	804,394	137,198
Disposals at book value (see below)	(760,387)	(150,532)
Net unrealised gains (losses)	27,010	(27,436)
Market value at 31 March 2024	709,746	638,729
Cash held by investment managers for reinvestment	5,113	51,733
	714,859	690,462
Cost at 31 March 2024	660,035	518,391

Disposals at book value included above are made up of the following:

	2024 £	2023 £
Proceeds	767,979	137,250
Realised (gains) losses	(7,592)	13,282
Disposals at book value	760,387	150,532

Notes to the accounts Year to 31 March 2024

9 Investments (continued)

Listed investments held at 31 March 2024 comprised the following:

	2024 £	2023 £
UK fixed interest	108,598	91,639
UK equities	390,592	343,297
Overseas unit trusts	210,556	203,793
	709,746	638,729

At 31 March 2024 the following individual investment holdings were deemed material holdings in the context of the market value of the entire listed portfolio as at that date:

	2024	
	Market value of holding £	% of total portfolio
ISHARES II PLC USD TIPS UCITS ETF (GBP)	49,429	7%

All listed investments were dealt in on a recognised stock exchange.

10 Debtors

	2024 £	2023 £
Residents' fees	108,800	102,632
Prepayments and accrued income	21,670	23,537
	130,470	126,169

11 Creditors: amounts falling due within one year

	2024 £	2023 £
Residents' fees in advance	129,653	112,933
Expense creditors	7,567	8,863
Accruals	135,169	159,541
Other creditors	6,550	660
	278,939	281,997

12 Tangible fixed assets fund

	2024 £	2023 £
At 1 April	1,071,852	1,126,889
Net movement in the year (including transfer)	20,949	(55,037)
At 31 March	1,092,801	1,071,852

12 Tangible fixed assets fund (continued)

The tangible fixed assets fund represents the net book value of the Home's tangible fixed assets. A decision was made to separate this fund from the general funds of the Home in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the Home and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

13 Analysis of assets between funds

	General fund £	Tangible fixed assets fund £	31 March 2024 £
Fund balances at 31 March 2024			
Tangible fixed assets	—	1,092,801	1,092,801
Investments	714,859	—	714,859
Net current assets	(15,627)	—	(15,627)
	699,232	1,092,801	1,792,033

	General fund £	Tangible fixed assets fund £	31 March 2023 £
Fund balances at 31 March 2023			
Tangible fixed assets	—	1,071,852	1,071,852
Investments	690,462	—	690,462
Net current assets	60,439	—	60,439
	750,901	1,071,852	1,822,753

	2024 £	2023 £
Unrealised gains on investments included above:	49,711	120,338

Reconciliation of movement on unrealised gains on investment assets

Unrealised gains at 1 April 2023	120,338	174,122
Net losses arising on revaluation in the year	27,010	(27,436)
Less: in respect of disposals in period	(97,637)	(26,348)
At 31 March 2024	49,711	120,338

14 Liability of the members

If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and have no personal responsibility for settling its debts and liabilities.

15 Related parties

During the year the following transactions took place between the St Teresa's Home CIO and the Congregation of the Sisters of St Anne Charitable Trust (Charity Registration No. 233808). These are deemed to be related party transactions on the basis that St Teresa's Home CIO was previously part of the Charitable Trust, and three of the trustees of the Charitable Trust are also trustees of St Teresa's Home CIO.

- ◆ St Teresa's Home CIO contributed £84,279 (2023 - £87,119) to St Anne's in recognition of the services provided by members of the Congregation of the Sisters of St Anne;
- ◆ St Teresa's Home CIO received £22,953 (2023 - £12,902) from the Congregation of the Sisters of St Anne Charitable Trust towards the cost of residents fees for a member of the St Anne's Congregation;
- ◆ St Teresa's Home CIO received £1,560 (2023 - £1,560) for provision of meals to members of the Congregation of the Sisters of St Anne.

There were other related party transactions for sisters reimbursed expenses totalling £40 (2023 - none).

16 Capital commitments

At 31 March 2024, the Home has capital commitments of £nil (2023 – £24,000 in respect to the installation of a new lift on the upper floor of the Home which had been contracted for as at that date).

St Teresa's Home CIO

(Previously a foundation of the
Congregation of the
Sisters of St Anne
Charitable Trust)

Detailed income and expenditure account

Year to 31 March 2024

Detailed income and expenditure account Year to 31 March 2024

This page does not form part of the audited statutory accounts.

	2024 £	2023 £
Operating income		
Incoming resources from charitable activities		
. Residential and nursing care charges	1,532,585	1,418,024
Operating expenditure		
<i>Residential and nursing care costs</i>		
Staff costs	1,057,872	1,054,423
Pension contributions	34,273	24,130
Agency staff – domestic	—	576
	1,092,145	1,079,129
Provisions	61,123	52,456
Depreciation	57,542	61,139
Premises costs		
. Maintenance and refurbishment to buildings and grounds	32,307	26,876
. Light, heat and water	123,377	40,157
. Rent, rates and refuse collection	3,118	11,489
. Furniture, equipment and household	8,508	2,414
. Insurance	16,690	14,900
. Cleaning and laundry	2,383	2,552
	186,383	98,388
Residents' welfare etc		
. Residents' welfare	12,225	8,740
. Medical expenses	14,179	18,473
	26,404	27,213
Administrative and support costs		
. Staff costs	126,651	123,809
. Registration fees	4,270	4,333
. Staff training	2,314	3,024
. Bank charges	1,995	1,979
. Travel and motor expenses	2,488	1,955
. Professional fees	8,414	14,861
. Bad debt write off	(11,308)	(3,614)
. Accountancy fees	13,740	7,800
. Office stationery and expenses	29,288	13,820
. Other expenses	8,816	7,842
	186,668	175,809
Total operating expenditure	1,610,265	1,494,134

Detailed income and expenditure account Year to 31 March 2024

This page does not form part of the audited statutory accounts.

	2024 £	2023 £
Operating deficit	(77,680)	(76,110)
Other income (expenditure)		
Investment income and interest receivable	14,063	13,105
Donations and legacies	4,708	9,117
Local authority grant	—	6,981
Miscellaneous income	3,899	—
Investment management fees	(10,312)	(9,929)
Net deficit before investment (losses) gains	(65,322)	(56,836)
Net investment gains (losses)	34,602	(40,718)
Net deficit for the year	(30,720)	(97,554)