

# CHESHIRE RESIDENTIAL HOMES TRUST

England & Wales · Charity number 1190162

## Details

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**Other names** CRH TRUST

**Status** Registered

**Legal form** Charitable company

**Company number** [12571844](#)

**Registered** 2020-06-29

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

## Contact

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**Address** Sandiway Manor  
Norley Road  
Sandiway  
Northwich  
CW8 2JW

**Phone** 01606881945

**Email** [ceo@crhtrust.org.uk](mailto:ceo@crhtrust.org.uk)

**Website** [www.crhtrust.org.uk](http://www.crhtrust.org.uk)

## Activities

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**Objects:** THE PROVISION OF RESIDENTIAL CARE AND ACCOMMODATION (AND ASSOCIATED FACILITIES, AMENITIES AND SERVICES) FOR PERSONS WITH A CONNECTION TO CHESHIRE, WIRRAL AND THEIR SURROUNDING AREAS WHO ARE EXPERIENCING FINANCIAL HARDSHIP OR OTHERWISE FOR THE RELIEF OF AGED, DISABLED (WHETHER MENTALLY OR PHYSICALLY) OR CHRONICALLY SICK PEOPLE.

**Activities:** The provision of residential care and accommodation (and associated facilities, amenities and services) for persons with a connection to Cheshire, Wirral and their surrounding areas who are experiencing financial hardship or otherwise for the relief of aged, disabled (whether mentally or physically) or chronically sick people.

## Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Disability
- **Who:** Elderly/old People, People With Disabilities

## Geography

- Cheshire East
- Cheshire West & Chester
- Wirral

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£4,781,312	£4,358,819	£9,321,075	136
2024-03-31	£4,388,924	£4,067,383	£8,912,513	137
2023-03-31	£4,070,751	£3,682,280	£8,581,420	126
2022-03-31	£3,704,036	£3,191,708	£8,242,689	116
2021-03-31	£3,412,987	£3,160,035	£7,722,320	123

## Trustees

Name	Role	Appointed
CANDICE LYNN REEVES		2020-09-07
Jane Lane		2023-07-18
Maura Tomlinson		2025-07-15
Nick Tomlinson		2025-07-15
Rebekah Roshan		2023-10-01
SUZANNE MARY COOK		2020-09-07
Sheena Fiona Stallard		2020-09-07
Ursula Denton		2025-07-15
Valerie Godfrey		2020-09-07

## Linked charities

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- THE CHESHIRE RESIDENTIAL HOMES TRUST (1190162-1)
- THE WILL OF MR D JARDINE DECEASED (1190162-2)

**CHESHIRE RESIDENTIAL HOMES TRUST**

England & Wales - Charity number 1190162

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# Accounts

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Charity registration number 1190162 (England and Wales)

Company registration number 12571844

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**



# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mrs S M Cook Mrs V Godfrey Mrs A J Marsh Mrs C L Reeves Mrs S Stallard Mrs J Lane Mrs R Roshan Mr N Tomlinson Mrs M Tomlinson Mrs U Denton Mrs J Clare	(Appointed 15 July 2025) (Appointed 15 July 2025) (Appointed 15 July 2025) (Appointed 15 July 2025)
<b>Charity number</b>	1190162	
<b>Company number</b>	12571844	
<b>Principal address</b>	Sandiway Manor Norley Road Sandiway Northwich Cheshire CW8 2JW	
<b>Auditor</b>	Xeinadin Audit Limited The Foundation Herons Way Chester Business Park Chester Cheshire CH4 9GB	
<b>Bankers</b>	Natwest Bank Plc 1 Hardman Boulevard Manchester M3 3AQ	
<b>Solicitors</b>	Brabners LLP Horton House Exchange Flags Liverpool Merseyside L2 3YL  Cullimore Dutton 20 White Friars Chester Cheshire CH1 1XS	
<b>Investment advisors</b>	Castlefield Investments Limited 1 Portland Street Manchester M1 3LA	

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# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES CONTENTS

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# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2025**

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The Trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note to the financial statements and comply with the Charity's memorandum and articles, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

The purpose of the Charity is to provide residential care for elderly people living in Cheshire and Wirral and for the relatives of people who have lived in those areas for a number of years, and, for various reasons, find it impossible to stay in their own homes.

The Board's main objectives are:

- to ensure that residents continue to receive a high standard of care in a safe environment that has a friendly and homely atmosphere;
- to ensure that the standard of accommodation and facilities are maintained for the benefit of residents;
- to provide staff development and training so as to enhance their experience of working for the Charity and to ensure that they are able to provide residents with a high standard of care;
- to provide respite care for the benefit of elderly people in the local communities of Sandiway, Heswall and Macclesfield.

In setting their objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and, in particular, to its supplementary guidance on fee-charging; the Trustees have also had regard to their commitment to:

- attracting residents from all backgrounds irrespective of financial means;
- safeguarding and promoting the welfare of residents and staff;
- providing a working environment that is free from discrimination on the grounds of race, colour, ethnicity, gender, sexual orientation, religion or disability.

The Charity owns three residential homes at:

<b>Sandiway Manor</b>	1 Norley Road, Sandiway, Northwich, Cheshire
<b>Trepassey</b>	Hillside Road, Heswall, Wirral, Merseyside
<b>Upton Grange</b>	214 Prestbury Road, Macclesfield, Cheshire

The Charity furthers its charitable purposes by providing comfortable surroundings for residents, irrespective of their financial means, where they can benefit from a safe and friendly environment and where their individual needs are met in full.

Each Home is set in its own grounds. Residents have separate rooms, with their own furniture if they wish, where they can entertain relatives and friends. In addition, each Home has a lounge and dining room and there are rooms for short-stay visitors and for any prospective resident who wishes to stay for a trial period.

Residents enjoy the privacy of their own rooms, where they can spend as much or as little time as they choose – apart from main meals which are usually taken with the other residents. Residents may go out at any time provided the Manager or her Deputy is informed. Residents may also participate in the full and varied activities offered by each Home.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### ***FOR THE YEAR ENDED 31 MARCH 2025***

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Residents pay fees towards the cost of running the Homes, such fees being assessed on the basis of their financial means; the balance of running costs is met from donations and legacies and from top-up fee payments by Local Authorities.

During the year an average of 10% (2024 – 16%) of permanent residents were funded by Local Authorities.

In addition, we aim to provide fee subsidies for some of our residents, during 2024-25 subsidies totalled £87,554 (2023-24 £114,530)

#### *Public benefit*

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

#### **Achievements and performance**

##### *Significant activities and achievements against objectives*

Over the last financial year, we have placed an emphasis upon consistency and stability, in order to maximise the benefits derived from the establishment of the Area Manager role, the development of a stable management team and a well trained and motivated core staff.

Whilst labour recruitment and costs continue to be our greatest challenge, we have benefited from improved staff retention and our experienced core teams across all three homes have enabled us to establish and maintain common standards, policies, and practices as well as a positive “one team” spirit.

This common approach to achieving consistently high and compliant care standards has been underpinned by the prioritised, cost-effective refurbishment and maintenance program that was introduced. Our three homes have all benefited from this investment and they are all now enjoying a good standard of repair and decoration.

We continue to forge ahead with our plans to extend Upton Grange and Trepassey, and we are currently awaiting the decisions on planning applications submitted for both properties.

#### **Financial review**

The operating results for the year were pleasing with the Charity achieving an operating surplus for the year on unrestricted funds of £408,562

Each of the homes had a successful year and managed expenditure well.

Sandiway Manor maintained high occupancy levels at 91% averaged throughout the year and generated one of their highest surpluses to date.

Trepassey Residential Home continue to be successful whilst maintaining good occupancy levels of 94%.

Upton Grange had increased occupancy for the year at 86% averaged across the year and had their highest surplus generated to date for the home.

All 3 homes have been congratulated on their continued and ongoing success and for maintaining expenditure to ensure a successful year even through continued difficult times within the economy.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2025**

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#### *Reserves policy*

The Trustees have established a policy whereby unrestricted reserves not committed or invested in fixed assets or investments held by the Charity should be in the region of four months' expenditure, which equates to approximately £1,250,000. At this level the Trustees feel that they would be able to continue the current activities of the Charity if there were to be a significant fall in income as a result of the coronavirus pandemic or for any other reason. At 31 March 2025 the free reserves of the Charity were £1,280,937 (2024 - £1,950,257) and therefore exceeded the required level of £1,250,000 (2024 – £1,250,000). The free reserves are made up of the unrestricted funds, less fixed assets and investments, less the maintenance reserve.

We continue to maximise free reserves available to the charity to aid towards our future plans to extend 2 of our properties. We aim to have considerable reserves available at a future time to be able to fund one build project solely by the charity and to minimise the need to obtain external funding for these projects.

#### *Investment policy*

The Trustees' investment powers are governed by the Trustees Act 2000.

The Trustees' long-term policy for the general portfolios is to maximise income while preserving the value of the investments. The Charity's general investments have continued to be managed in accordance with that policy. The day-to-day management of the general investment portfolios has been delegated to Castlefield Investments Limited who provide a discretionary investment management service.

The investment portfolios derive their income from the underlying investments held, typically company dividends, interest payments on bonds and rents from commercial properties.

During the 12 Month period to March 2025 most of the investments remained stable in value with a small overall loss across the portfolio of 1.7% value.

The Trust saw a realised investment gain of £115 (2024 – loss of £3,139) and an unrealised loss of £14,046 (2024 – un realised gain of £12,691)

#### *Major risks*

Staff recruitment continues to be a great challenge for our sector and for other customer-facing sectors and we are not immune to the pressures created by increased minimum wages, employers National Insurance and competition for available labour.

We have continued to pay our carers an hourly rate above minimum wage, despite the pressures that substantial increases in minimum wage and inflation have placed upon the business.

#### *Factors likely to affect future financial performance*

Now that we have completed the refurbishment of Sandiway Manor and Upton Grange, we are focusing upon extending our premises in order to meet customer demand and expectations.

We propose to extend Trepassey by a further 15 bedrooms, with similar sized extensions anticipated at Upton Grange and Sandiway Manor during the next 5 years.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025**

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## **Structure, governance and management**

Cheshire Residential Homes Trust (the company) is a company limited by guarantee; it was incorporated on 24 April 2021. The company is registered with the Charity Commission under reference 1190162.

On 29 June 2020 the Charity Commission granted approval for a Scheme whereby the company replaced the individual trustees as the sole Trustee of the unincorporated charity The Cheshire Residential Homes Trust. The incorporated charity is referred to as Cheshire Residential Homes with legal and financial responsibilities continuing to lie with the original unincorporated charity The Cheshire Residential Homes Trust.

The unincorporated charity The Cheshire Residential Homes Trust is a registered charity. Its governing instruments are the original Trust Deed dated 1 April 1947 and the Charity Commission Scheme dated 5 April 1957, as amended.

Prior to 7 September 2020 the registered number of the unincorporated charity The Cheshire Residential Homes Trust was 218084; however, with effect from that date the Charity Commission linked it with the incorporated charity Cheshire Residential Homes Trust and its registration number changed to 1190162-1. The Linking Direction was for reporting purposes only; it did not change the separate legal status of the unincorporated and incorporated charities or the nature of restricted funds or endowments, and it does not constitute a merger.

The company has not traded during the period from 24 April 2020 (date of incorporation) to date and it has no assets or liabilities. Accordingly, this report and the financial statements for the accounting period ended 31 March 2023 relate solely to the activities of the unincorporated charity The Cheshire Residential Homes Trust.

## **Trustees**

Under a Charity Commission Scheme dated 3 August 2020 the incorporated charity Cheshire Residential Homes became the sole corporate trustee of The Cheshire Residential Homes Trust. Prior to 3 August 2020 individual Trustees were appointed by the Board of Trustees for a term of three years on the basis of nominations received.

## **Trustee Induction and Training**

New Trustees appointed to the Board of the incorporated charity are inducted into the workings of the unincorporated charity and the incorporated charity at a meeting with the Chairman. A Trustee Information pack is provided on appointment. The pack contains copies of the Trust Deed, together with other documents including "A Guide to being a Trustee of Cheshire Residential Homes Trust" and the Charity Commission publication "The Essential Trustee – What you need to know".

Individual Trustees were expected to attend external training courses that were relevant to their needs.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs S M Cook

Mrs V Godfrey

Mrs A J Marsh

Mrs C L Reeves

Mrs S Stallard

Mrs J Tetlow

(Resigned 25 February 2025)

Mr B Dutton

(Resigned 25 February 2025)

Mrs J C Evans

(Resigned 3 September 2024)

Mrs J Lane

Mrs R Roshan

Mr N Tomlinson

(Appointed 15 July 2025)

Mrs M Tomlinson

(Appointed 15 July 2025)

Mrs U Denton

(Appointed 15 July 2025)

Mrs J Clare

(Appointed 15 July 2025)

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025**

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## *Organisational structure*

Cheshire Residential Homes Trust, the incorporated charity, is the sole trustee of the unincorporated charity The Cheshire Residential Homes Trust. The Trustees of the incorporated charity, Cheshire Residential Homes Trust, meet as a Board at least four times a year to consider general policies and the management and control of issues for which they are responsible. The Trustees also approve the annual budgets for each Home in addition to the Annual Report and Financial Statements.

The Trustees are responsible for deciding the strategic aims of the Charity and for its overall administration and they are assisted by the Chief Executive Officer who is responsible for the Charity's operations and the day-to-day management of the three Homes. The Chief Executive is supported by the Area Manager, Estates Manager, Home Managers, the Financial Controller and the Administration and Quality Manager.

An Audit and Risk Management Committee is responsible for ensuring there is a framework of accountability in place within the Charity. It is also responsible for examining and reviewing systems and methods of control, both financial and otherwise, including risk analysis and management; and for ensuring that the charity is complying with all aspects of law, relevant regulations and good practice. The Audit and Risk Management Committee, which meets at least twice a year, consists of three Trustees, the Chief Executive Officer, the Financial Controller and the Administration and Quality Manager.

## **Key Management Personnel**

The Trustees consider the Board of Trustees and the Chief Executive Officer as being key management personnel responsible for directing and controlling the operations of the Charity. These individuals are supported by the Area Manager, Estates Manager, the Financial Controller and the Home Managers.

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and other transactions with Trustees are disclosed in Note 11 to the accounts.

The salaries of the Senior Management Team and all employees in the homes are reviewed annually and usually rise in line with increases in average earnings

The Charity is a member of the National Care Association, which represents care providers in the UK. The Charity also benefits from close support from charities and friends associated with the three Homes. The financial and other support from those organisations and volunteers from within the local communities is greatly appreciated and gladly acknowledged.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025**

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## **Statement of Trustees' responsibilities**

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

The law applicable to charities in England and Wales requires the Charity's Trustees to prepare financial statements each year which give a true and fair view of the state of affairs of the Charity and the incoming resources and application of resources of the Charity for that period

In preparing the financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- 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, the financial position of the Charity at any time, and to enable them as Trustees to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust Deed. The Trustees are also responsible for safeguarding the Charity's assets and taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

The Trustees are also responsible for the maintenance and integrity of the Charity and any financial information on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

## **Auditor**

In accordance with the company's articles, a resolution proposing that Xeinadin Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

## **Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Mrs S M Cook  
**Trustee**

21 October 2025

# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHESHIRE RESIDENTIAL HOMES TRUST

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## Opinion

We have audited the financial statements of Cheshire Residential Homes Trust (the 'Charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHESHIRE RESIDENTIAL HOMES TRUST**

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## **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 directors' report included within the Trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

## **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the formal course of business and reviewing accounting estimates for bias;
- Enquiry of management and those charged with governance to identify any instances of non-compliance with laws and regulations.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF CHESHIRE RESIDENTIAL HOMES TRUST**

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The potential effect of these laws and regulations on the financial statements varies considerably. Firstly, the charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation) and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charity is subject to many other laws and regulations where the consequence of non-compliance should have a material effect on amounts or disclosures in the financial statements, for instance the imposition of fines or litigation or the loss of the charity's license to operate. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach. 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.

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

No instances of material non-compliance were identified, although the prospect of detecting irregularities, including fraud, is inherently difficult. This is due to; difficulty in detecting irregularities; limits imposed by the effectiveness of the entity's controls; and the nature, timing and extent of the audit procedures performed. Irregularities as a result of fraud are inherently more difficult to detect than those that resulting from error. Despite the audit being planned and performed in accordance with ISAs (UK), there is an unavoidable risk that material misstatements may not be detected.

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

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Stephanie Baker BA(Hons) ACA (Senior Statutory Auditor)**

For and on behalf of Xeinadin Audit Limited, Statutory Auditor

Chartered Accountants

The Foundation

Heron's Way

Chester Business Park

Chester

Cheshire

CH4 9GB

21 October 2025

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
<b>Income from:</b>									
Donations and legacies	3	30,163	-	-	30,163	1,193	-	-	1,193
Charitable activities	4	4,733,375	-	-	4,733,375	4,366,186	-	-	4,366,186
Investments	5	17,774	-	-	17,774	21,545	-	-	21,545
<b>Total income</b>		<u>4,781,312</u>	<u>-</u>	<u>-</u>	<u>4,781,312</u>	<u>4,388,924</u>	<u>-</u>	<u>-</u>	<u>4,388,924</u>
<b>Expenditure on:</b>									
Raising funds	6	1,016	-	-	1,016	3,507	-	-	3,507
Charitable activities	7	4,357,803	-	-	4,357,803	4,063,876	-	-	4,063,876
<b>Total expenditure</b>		<u>4,358,819</u>	<u>-</u>	<u>-</u>	<u>4,358,819</u>	<u>4,067,383</u>	<u>-</u>	<u>-</u>	<u>4,067,383</u>
Net gains/(losses) on investments	12	<u>(13,931)</u>	<u>-</u>	<u>-</u>	<u>(13,931)</u>	<u>9,552</u>	<u>-</u>	<u>-</u>	<u>9,552</u>
<b>Net income and movement in funds</b>		<u>408,562</u>	<u>-</u>	<u>-</u>	<u>408,562</u>	<u>331,093</u>	<u>-</u>	<u>-</u>	<u>331,093</u>
<b>Reconciliation of funds:</b>									
Fund balances at 1 April 2024		<u>3,221,581</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,912,513</u>	<u>2,890,488</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,581,420</u>
<b>Fund balances at 31 March 2025</b>		<u>3,630,143</u>	<u>1,932</u>	<u>5,689,000</u>	<u>9,321,075</u>	<u>3,221,581</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,912,513</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)  
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

***FOR THE YEAR ENDED 31 MARCH 2025***

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
BALANCE SHEET**

**AS AT 31 MARCH 2025**

	Notes	2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		7,127,771		6,156,345
Investments	15		603,432		588,364
			<u>7,731,203</u>		<u>6,744,709</u>
<b>Current assets</b>					
Debtors	16	463,617		451,223	
Investments	17	2,838		30,575	
Cash at bank and in hand		1,497,666		1,985,058	
		<u>1,964,121</u>		<u>2,466,856</u>	
<b>Creditors: amounts falling due within one year</b>	18	(374,249)		(299,052)	
<b>Net current assets</b>			<u>1,589,872</u>		<u>2,167,804</u>
<b>Total assets less current liabilities</b>			<u>9,321,075</u>		<u>8,912,513</u>
<b>The funds of the Charity</b>					
Endowment funds	19		5,689,000		5,689,000
Restricted income funds	20		1,932		1,932
Unrestricted funds	21		3,630,143		3,221,581
			<u>9,321,075</u>		<u>8,912,513</u>

The financial statements were approved by the Trustees on 21 October 2025



Mrs S M Cook  
**Trustee**

Company registration number 12571844 (England and Wales)

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	2025 £	£	2024 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	26		515,030		238,982
<b>Investing activities</b>					
Purchase of tangible fixed assets		(1,018,933)		(65,901)	
Purchase of investments		(37,405)		(626,339)	
Proceeds from disposal of investments		8,405		637,478	
Investment income received		17,774		21,545	
<b>Net cash used in investing activities</b>			(1,030,159)		(33,217)
<b>Net cash generated from financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(515,129)		205,765
Cash and cash equivalents at beginning of year			2,015,633		1,809,868
<b>Cash and cash equivalents at end of year</b>			1,500,504		2,015,633
<b>Relating to:</b>					
Cash at bank and in hand			1,497,666		1,985,058
Short term deposits included in current asset investments			2,838		30,575

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2025**

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#### **1 Accounting policies**

##### **Charity information**

Cheshire Residential Homes Trust is a private company limited by guarantee incorporated in England and Wales. The principle address is Sandiway Manor, Norley Road, Sandiway, Northwich, CW8 2JW.

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

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

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

##### **1.2 Going concern**

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

##### **1.3 Charitable funds**

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the Charity's charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a specific fund for a specific purpose.

Restricted funds are funds that are to be used in accordance with the specific restrictions imposed by the donor.

Endowed funds are funds used for a specific purpose or purposes of the Charity. The Trustees have been advised by Brabners LLP, solicitors, that they consider the freehold and buildings to be permanent endowment, being functional land and buildings to be held in perpetuity by the Charity. Accordingly, in these Financial Statements the freehold land and buildings have been treated as permanent endowment.

##### **1.4 Income**

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

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. Donations subject to specific wishes of the donors are carried to relevant restricted funds. Donations receivable for the general purposes of the Charity are credited to unrestricted funds.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**1 Accounting policies**

**(Continued)**

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event of the legacy gift being in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition would be subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset being transferred to the Charity.

Interest on investments and on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity.

Dividends from listed companies are recognised once the dividend has been declared and notification has been received of the dividend due.

**1.5 Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on the accrual basis.

All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings. VAT is included with the item of expense to which it relates.

Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving public accountability of the Charity and its compliance with regulation and good practice. These costs include related statutory audit fees together with apportionments of overhead and support costs.

**1.6 Tangible fixed assets**

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

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

Freehold land and buildings	Not Depreciated
Plant, Equipment & Furnishings	At varying rates on cost and reducing balance
Motor vehicles	25% reducing balance

No provision is made for depreciation in respect of freehold properties. This policy has been adopted because the value of these assets is maintained by the Charity's continued programme of property maintenance and improvements; consequently, any element of depreciation would, in the opinion of the Trustees, be immaterial. Furthermore, the Trustees carry out an annual impairment review.

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

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**1 Accounting policies**

**(Continued)**

**1.7 Fixed asset investments**

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

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

The main form of 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 other investments.

**1.8 Impairment of fixed assets**

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

**1.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.10 Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**1 Accounting policies** **(Continued)**

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**1.11 Employee benefits**

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

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

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

**2 Critical accounting estimates and judgements**

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

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

**Critical judgements**

**Property Valuations**

Both freehold land and buildings are held at revalued amounts based on professional valuations. Actual value may differ to estimated value which could result in under or over statement of asset value.

**Determining Residual Values and useful economic lives of plant and equipment**

The Trust depreciates tangible assets over their estimated useful lives based on historic performance. The actual lives can vary. Judgement is applied also in the residual values of plant and equipment. When determining the residual value the directors aim to assess the amount that the asset would currently obtain if the asset were disposed using market prices where possible.

**3 Income from donations and legacies**

	<b>Unrestricted funds 2025 £</b>	<b>Unrestricted funds 2024 £</b>
Donations and gifts	30,163	1,193

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
*FOR THE YEAR ENDED 31 MARCH 2025*

**4 Income from charitable activities**

	<b>Unrestricted funds 2025 £</b>	<b>Unrestricted funds 2024 £</b>
<b>Sandiway Manor</b> Residential Care	1,467,605	1,295,935
<b>Trepassey</b> Residential Care	2,065,421	2,024,934
<b>Upton Grange</b> Residential Care	1,200,349	1,045,317
	<u>4,733,375</u>	<u>4,366,186</u>

**5 Investments**

	<b>Unrestricted funds 2025 £</b>	<b>Unrestricted funds 2024 £</b>
Income from listed investments	-	3,364
Interest receivable	17,774	18,181
	<u>17,774</u>	<u>21,545</u>

**6 Raising Funds**

	<b>Unrestricted funds 2025 £</b>	<b>Unrestricted funds 2024 £</b>
Investment management	1,016	3,507
	<u>1,016</u>	<u>3,507</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**7 Charitable Activities**

	<b>Sandiway Manor 2025 £</b>	<b>Trepassey 2025 £</b>	<b>Upton Grange 2025 £</b>	<b>Trustees 2025 £</b>	<b>Total 2025 £</b>
<b>Direct costs</b>					
Staff costs	933,828	1,175,938	729,595	-	2,839,361
Depreciation and impairment	7,332	12,900	7,092	20,184	47,508
Agency Fees	34,984	12,306	6,743	-	54,033
Catering and Housekeeping	114,933	127,405	91,308	-	333,646
Rates and Insurance	23,851	11,423	10,021	92,257	137,552
Heat and Light	29,542	62,404	38,160	-	130,106
Maintenance	107,522	87,776	78,153	-	273,451
ICT leasing and support	13,107	14,546	11,721	74,480	113,854
Other Expenditure	27,137	48,440	29,592	-	105,169
	<u>1,292,236</u>	<u>1,553,138</u>	<u>1,002,385</u>	<u>186,921</u>	<u>4,034,680</u>
<b>Share of support and governance costs (see note 8)</b>					
Support	-	-	-	244,257	244,257
Governance	-	-	-	78,866	78,866
	<u>1,292,236</u>	<u>1,553,138</u>	<u>1,002,385</u>	<u>510,044</u>	<u>4,357,803</u>
<b>Analysis by fund</b>					
Unrestricted funds	<u>1,292,236</u>	<u>1,553,138</u>	<u>1,002,385</u>	<u>510,044</u>	<u>4,357,803</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**7 Charitable Activities (Continued)**

Previous year:	Sandiway Manor 2024 £	Trepassey 2024 £	Upton Grange 2024 £	Trustees 2024 £	Total 2024 £
<b>Direct costs</b>					
Staff costs	882,039	1,129,329	672,027	-	2,683,395
Depreciation and impairment	6,348	12,672	5,364	13,560	37,944
Agency Fees	68,409	18,012	4,813	-	91,234
Catering and Housekeeping	110,784	120,191	84,955	-	315,930
Rates and Insurance	16,204	8,594	9,689	70,280	104,767
Heat and Light	22,933	44,797	23,820	-	91,550
Maintenance	108,455	62,253	85,167	-	255,875
ICT leasing and support	11,920	13,078	11,079	72,440	108,517
Other Expenditure	45,062	45,828	38,946	-	129,836
	<u>1,272,154</u>	<u>1,454,754</u>	<u>935,860</u>	<u>156,280</u>	<u>3,819,048</u>
<b>Share of support and governance costs (see note 8)</b>					
Support	-	-	-	171,590	171,590
Governance	-	-	-	73,238	73,238
	<u>1,272,154</u>	<u>1,454,754</u>	<u>935,860</u>	<u>401,108</u>	<u>4,063,876</u>
<b>Analysis by fund</b>					
Unrestricted funds	<u>1,272,154</u>	<u>1,454,754</u>	<u>935,860</u>	<u>401,108</u>	<u>4,063,876</u>

**8 Support costs allocated to activities**

	2025 £	2024 £
Staff costs	192,596	153,474
Other costs	21,258	5,352
Legal and professional fees	30,403	12,764
Governance costs	78,866	73,238
	<u>323,123</u>	<u>244,828</u>
<b>Analysed between:</b>		
Trustees	<u>323,123</u>	<u>244,828</u>
<b>Governance costs comprise:</b>		
Staff costs	71,366	66,938
Audit fees	7,500	6,300
	<u>78,866</u>	<u>73,238</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

<b>9</b>	<b>Net movement in funds</b>	<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the audit of the charity's financial statements	7,500	6,300
	Depreciation of owned tangible fixed assets	47,508	37,944
		<u>          </u>	<u>          </u>

**10 Trustees**

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

**11 Employees**

The average monthly number of employees during the year was:

	<b>2025</b>	<b>2024</b>
	<b>Number</b>	<b>Number</b>
Provision of care and ancillary services	132	133
Management and administration	4	4
	<u>          </u>	<u>          </u>
Total	136	137
	<u>          </u>	<u>          </u>

**Employment costs**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,837,763	2,712,216
Social security costs	199,474	141,639
Other pension costs	66,086	49,952
	<u>          </u>	<u>          </u>
	3,103,323	2,903,807
	<u>          </u>	<u>          </u>

The Charity's key management personnel now comprise the Trustees and the Chief Executive Officer. The Chief Executive Officer is supported by the General Manager, the Home Managers and the Administration and Quality Manager who is also the Nominated Individual for CQC purposes. The total employment benefits of the Chief Executive Officer (R I MacGregor), including employer pension contributions, was £65,729 (2024: £61,721).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	<b>2025</b>	<b>2024</b>
	<b>Number</b>	<b>Number</b>
60,001 - 70,000	1	1
	<u>          </u>	<u>          </u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**12 Net gains/(losses) on investments**

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Gain/(loss) on sale of investments	(13,931)	9,552

**13 Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**14 Tangible fixed assets**

	Freehold land and buildings £	Plant, Equipment & Furnishings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2024	5,689,000	598,638	22,777	6,310,415
Additions	900,000	56,773	62,160	1,018,933
Disposals	-	(19,913)	-	(19,913)
At 31 March 2025	6,589,000	635,498	84,937	7,309,435
<b>Depreciation and impairment</b>				
At 1 April 2024	-	148,849	5,220	154,069
Depreciation charged in the year	-	30,804	16,704	47,508
Eliminated in respect of disposals	-	(19,913)	-	(19,913)
At 31 March 2025	-	159,740	21,924	181,664
<b>Carrying amount</b>				
At 31 March 2025	6,589,000	475,758	63,013	7,127,771
At 31 March 2024	5,689,000	449,788	17,557	6,156,345

The freehold land and buildings Sandiway Manor, Trepassey and Upton Grange were valued at 31 March 2020 by Allied Surveyors, Chester, on an open market value basis in accordance with the guidelines issued by the Royal Institute of Chartered Surveyors. At 31 March 2020 the freehold land and buildings were valued at £5,689,000. At 31 March 2020 the historical cost of the properties was £10,824,895.

The valuations at 31 March 2020 reflected improvements made to the properties over a period of time, but they did not take into account the cost of such improvements or the unique nature of the buildings, in particular the building at Trepassey which, in recent years, has been extensively extended and remodelled. Instead, the valuations were based upon the likely value of the properties assuming that the Homes were fully trading operational entities, but within the private sector, rather than the voluntary sector.

The Trustees consider that the value of the freehold properties as at 31 March 2025 have not changed materially since 31st March 2020.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**15 Fixed asset investments**

	<b>Listed investments £</b>	
<b>Cost or valuation</b>		
At 1 April 2024		588,364
Additions		37,405
Valuation changes		(13,931)
Disposals		(8,406)
		<u>603,432</u>
<b>Carrying amount</b>		
At 31 March 2025		<u>603,432</u>
		<u>588,364</u>
	<b>2025</b>	<b>2024</b>
Investments at fair value comprise:	<b>£</b>	<b>£</b>
COIF Charities Investment Fund	77,922	81,730
UK and overseas equities and specialist funds	525,509	484,423
Fixed Interest Securities	-	22,210
	<u>603,431</u>	<u>589,951</u>

All investments are carried at their fair value. Investments in equities, specialist and multi-asset funds and fixed interest securities are all quoted in public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at bid price. The basis of fair value for quoted investments is equivalent to market value, using the bid price.

Asset sales and purchases are recognised at the date of trade at their transaction value.

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

Historic cost of investments is £542,785 (2024: £511,892).

**16 Debtors**

	<b>2025</b>	<b>2024</b>
<b>Amounts falling due within one year:</b>	<b>£</b>	<b>£</b>
Trade debtors	184,040	180,930
Other debtors	267,049	259,232
Prepayments and accrued income	12,528	11,061
	<u>463,617</u>	<u>451,223</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**16 Debtors** **(Continued)**

Other debtors include £223,466 (2024: £223,466) due from The Jardine Charitable Trust Fund, in respect of a transfer in relation to compensation payable to Trepassey for the consequential loss arising as a result of the unavailability of a number of bedrooms in preparation for and during work in extending and remodelling that Home.

**17 Current asset investments**

	<b>2025</b>	<b>2024</b>
	£	£
Short term deposits	2,838	30,575
	<u>2,838</u>	<u>30,575</u>

**18 Creditors: amounts falling due within one year**

	<b>2025</b>	<b>2024</b>
	£	£
Trade creditors	23,455	35,692
Other creditors	261,147	259,223
Accruals and deferred income	89,647	4,137
	<u>374,249</u>	<u>299,052</u>

Other creditors includes Trepassey – compensation for loss of income representing £223,466 (2024 - £223,466) an amount payable to Trepassey by The Jardine Charitable Trust Fund. This is in respect of compensation for the consequential loss arising as a result of the unavailability of a number of bedrooms in preparation for and during work in extending and remodelling the Home.

**19 Endowment funds**

Endowment funds represent assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	<b>At 1 April 2024</b>	<b>At 31 March 2025</b>
	£	£
<b>Permanent endowments</b>		
Freehold land and buildings	5,689,000	5,689,000
	<u>5,689,000</u>	<u>5,689,000</u>
<b>Previous year:</b>		
	<b>At 1 April 2023</b>	<b>At 31 March 2024</b>
	£	£
<b>Permanent endowments</b>		
Freehold land and buildings	5,689,000	5,689,000
	<u>5,689,000</u>	<u>5,689,000</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**19 Endowment funds**

**(Continued)**

The Permanent Endowment Fund represents the value of the freehold land and buildings, which are considered to be functional assets to be held by the Charity in perpetuity.

**20 Restricted funds**

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	<b>At 1 April 2024</b>	<b>At 31 March 2025</b>
	<b>£</b>	<b>£</b>
Lady Becke Fund	1,932	1,932
	<u>1,932</u>	<u>1,932</u>
<b>Previous year:</b>	<b>At 1 April 2023</b>	<b>At 31 March 2024</b>
	<b>£</b>	<b>£</b>
Lady Becke Fund	1,932	1,932
	<u>1,932</u>	<u>1,932</u>

The Lady Becke Fund relates to monies donated in memory of the late Lady Becke to provide nursing care to residents of the Homes, should the need arise.

**21 Unrestricted funds**

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	<b>At 1 April 2024</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Gains and losses</b>	<b>At 31 March 2025</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Maintenance Reserve	215,615	-	(208,612)	200,000	-	207,003
General funds	3,005,966	4,781,312	(4,150,207)	(200,000)	(13,931)	3,423,140
	<u>3,221,581</u>	<u>4,781,312</u>	<u>(4,358,819)</u>	<u>-</u>	<u>(13,931)</u>	<u>3,630,143</u>
<b>Previous year:</b>	<b>At 1 April 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Gains and losses</b>	<b>At 31 March 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Maintenance Reserve	226,275	-	(170,660)	160,000	-	215,615
General funds	2,664,213	4,388,924	(3,896,723)	(160,000)	9,552	3,005,966
	<u>2,890,488</u>	<u>4,388,924</u>	<u>(4,067,383)</u>	<u>-</u>	<u>9,552</u>	<u>3,221,581</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**22 Analysis of net assets between funds**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
<b>At 31 March 2025:</b>				
Tangible assets	1,438,771	-	5,689,000	7,127,771
Investments	603,432	-	-	603,432
Current assets/(liabilities)	1,587,940	1,932	-	1,589,872
	<u>3,630,143</u>	<u>1,932</u>	<u>5,689,000</u>	<u>9,321,075</u>
	<u><u>3,630,143</u></u>	<u><u>1,932</u></u>	<u><u>5,689,000</u></u>	<u><u>9,321,075</u></u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
<b>At 31 March 2024:</b>				
Tangible assets	467,345	-	5,689,000	6,156,345
Investments	588,364	-	-	588,364
Current assets/(liabilities)	2,165,872	1,932	-	2,167,804
	<u>3,221,581</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,912,513</u>
	<u><u>3,221,581</u></u>	<u><u>1,932</u></u>	<u><u>5,689,000</u></u>	<u><u>8,912,513</u></u>

**23 Operating lease commitments**

**Lessee**

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

	2025 £	2024 £
Within one year	636	1,821
Between two and five years	636	1,278
	<u>1,272</u>	<u>3,099</u>
	<u><u>1,272</u></u>	<u><u>3,099</u></u>

**24 Capital commitments**

	2025 £	2024 £
Acquisition of property, plant and equipment	-	900,000
	<u>-</u>	<u>900,000</u>
	<u><u>-</u></u>	<u><u>900,000</u></u>

In September 2023 the charity committed to purchasing a plot of land for a sum of £900,000. This purchase completed in May 2024.

There were no capital commitments in the 2025 financial year.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**25 Related party transactions**

The Trustees all give freely their time and expertise without any form of remuneration or other benefits in cash or in kind.

Trustees' travelling and out-of-pocket expenses reimbursed during 2025 amounted to £0 (2024 – £0).

<b>26 Cash generated from operations</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Surplus for the year	408,562	331,093
<b>Adjustments for:</b>		
Investment income recognised in statement of financial activities	(17,774)	(21,545)
Loss/(gain) on disposal of investments	13,931	(9,552)
Depreciation and impairment of tangible fixed assets	47,508	37,944
<b>Movements in working capital:</b>		
(Increase) in debtors	(12,394)	(77,427)
Increase/(decrease) in creditors	75,197	(21,531)
<b>Cash generated from operations</b>	<u>515,030</u>	<u>238,982</u>

**CHESHIRE RESIDENTIAL HOMES TRUST**

England & Wales - Charity number 1190162

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# Accounts

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Charity registration number 1190162

Company registration number 12571844 (England and Wales)

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**



# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mrs S M Cook Mrs V Godfrey Mrs A J Marsh Mrs C L Reeves Mrs S Stallard Mrs J Tetlow Mr B Dutton Mrs J Lane Mrs R Roshan	(Appointed 18 July 2023) (Appointed 1 October 2023)
<b>Charity number</b>	1190162	
<b>Company number</b>	12571844	
<b>Principal address</b>	Sandiway Manor Norley Road Sandiway Northwich Cheshire CW8 2JW	
<b>Auditor</b>	Xeinadin Audit Limited 2 Hilliards Court Chester Business Park Chester Cheshire CH4 9QP	
<b>Bankers</b>	Natwest Bank Plc 1 Hardman Boulevard Manchester M3 3AQ	
<b>Solicitors</b>	Brabners LLP Horton House Exchange Flags Liverpool Merseyside L2 3YL  Cullimore Dutton 20 White Friars Chester Cheshire CH1 1XS	
<b>Investment advisors</b>	Castlefield Investments Limited 1 Portland Street Manchester M1 3LA	

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# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES CONTENTS

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# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

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

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

The financial statements have been prepared in accordance with the accounting policies set out in note to the financial statements and comply with the Charity's memorandum and articles, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

The purpose of the Charity is to provide residential care for elderly people living in Cheshire and Wirral and for the relatives of people who have lived in those areas for a number of years, and, for various reasons, find it impossible to stay in their own homes.

The Board's main objectives are:

- to ensure that residents continue to receive a high standard of care in a safe environment that has a friendly and homely atmosphere;
- to ensure that the standard of accommodation and facilities are maintained for the benefit of residents;
- to provide staff development and training so as to enhance their experience of working for the Charity and to ensure that they are able to provide residents with a high standard of care;
- to provide respite care for the benefit of elderly people in the local communities of Sandiway, Heswall and Macclesfield.

In setting their objectives and planning activities the Trustees have given careful consideration to the Charity Commissions' general guidance on public benefit and, in particular, to its supplementary guidance on fee-charging; the Trustees have also had regard to their commitment to:

- attracting residents from all backgrounds irrespective of financial means;
- safeguarding and promoting the welfare of residents and staff;
- providing a working environment that is free from discrimination on the grounds of race, colour, ethnicity, gender, sexual orientation, religion or disability.

The Charity owns three residential homes at:

<b>Sandiway Manor</b>	1 Norley Road, Sandiway, Northwich, Cheshire
<b>Trepassey</b>	Hillside Road, Heswall, Wirral, Merseyside
<b>Upton Grange</b>	214 Prestbury Road, Macclesfield, Cheshire

The Charity furthers its charitable purposes by providing comfortable surroundings for residents, irrespective of their financial means, where they can benefit from a safe and friendly environment and where their individual needs are met in full.

Each Home is set in its own grounds. Residents have separate rooms, with their own furniture if they wish, where they can entertain relatives and friends. In addition, each Home has a lounge and dining room and there are rooms for short-stay visitors and for any prospective resident who wishes to stay for a trial period.

Residents enjoy the privacy of their own rooms, where they can spend as much or as little time as they choose – apart from main meals which are usually taken with the other residents. Residents may go out at any time provided the Manager or her Deputy is informed. Residents may also participate in the full and varied activities offered by each Home.

# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

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Residents pay fees towards the cost of running the Homes, such fees being assessed on the basis of their financial means; the balance of running costs is met from donations and legacies and from top-up fee payments by Local Authorities.

During the year an average of 16% (2023 – 14%) of permanent residents were funded by Local Authorities.

In addition, we aim to provide fee subsidies for some of our residents, during 2023-24 subsidies totalled £114,530 (2022-23 £186,447) representing approximately 4% (2022-23 5%) of gross fees.

#### *Public benefit*

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

#### **Achievements and performance**

##### *Significant activities and achievements against objectives*

The General Manager role has proved to be effective and has now evolved to become an Area Manager role, supported by Registered Managers in each of the Homes.

Structured audits of Care and Quality standards, are now established and brand standards are becoming entrenched.

The refurbishment and maintenance fund has been utilized effectively, to raise standards in all areas of our Homes during the year and we have achieved all of our objectives within budget .

We continue to upskill management roles through a cascade down approach that ensures common standards, clearly defined business objectives , regular updates/ feedback on progress and clear action plans.

We have also progressed with our plans to enlarge , upgrade and modernize our accommodation at all of our homes, in line with our 5 year plan.

The proposed purchase of adjoining land, that would enable us to extend our accommodation at Trepassey , has been completed and plans are being prepared for a planning application to be made during this calendar year.

#### **Financial review**

The operating results for the year were pleasing with the Charity achieving an operating surplus for the year on unrestricted funds of £321,541.

The surplus generated throughout the year by each home is testament to the exceptional standards all employees and Trustees of Cheshire Residential Homes Trust have continued to achieve. The incredibly hard work all employees put in to ensuring that all homes continued to provide excellent care to all our residents during the pandemic period and since has ensured that the trust can still provide high quality care within budget.

Sandiway Manor continued with their recruitment campaign throughout 2023-2024 which had previously proved to be difficult and were successful in recruiting many new members of staff. Occupancy overall for the year was good and managed to overall balance expenditure well against the rising cost of inflation and increased salary costs. All employees continued to ensure all our residents receive high quality care and support.

Trepassey Residential Home had another hugely successful year whilst maintaining good occupancy levels. All our employees across the home managed to keep expenditure within budget and continuing to provide good levels of surplus to enable Trepassey to continue to provide high quality care in a modern environment.

Upton Grange continued to maintain a good surplus for the year with a focus on increased respite stays and day care for the local community. Expenditure was managed well throughout the year with another good years surplus overall. All the team in the home provided excellent care for all our residents whilst enjoying the newly refurbished areas as part of the ongoing refurbishment programme.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

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*Reserves policy*

The Trustees have established a policy whereby unrestricted reserves not committed or invested in fixed assets or investments held by the Charity should be in the region of four months' expenditure, which equates to approximately £1,250,000. At this level the Trustees feel that they would be able to continue the current activities of the Charity if there were to be a significant fall in income as a result of the coronavirus pandemic or for any other reason. At 31 March 2024 the free reserves of the Charity were £1,950,257 (2023 - £1,634,874) and therefore exceeded the required level of £1,250,000 (2023 – £1,250,000). The free reserves are made up of the unrestricted funds, less fixed assets and investments, less the maintenance reserve.

*Investment policy*

The Trustees' investment powers are governed by the Trustees Act 2000.

The Trustees' long-term policy for the general portfolios is to maximise income while preserving the value of the investments. The Charity's general investments have continued to be managed in accordance with that policy. The day-to-day management of the general investment portfolios has been delegated to Castlefield Investments Limited who provide a discretionary investment management service.

The investment portfolios derive their income from the underlying investments held, typically company dividends, interest payments on bonds and rents from commercial properties.

The Trust saw a realised investment loss of £3,139 (2023 – Gain of £500) and an unrealised Gain of £12,691 (2023 – unrealised loss of £50,240).

*Major risks*

The ongoing national problem with staff shortages has created a potential risk to our business, as has the significant rise in the Minimum Wage.

We have taken our entire workforce above minimum wage, established an Apprenticeship Programme and enhanced our staff benefits package, upgraded our work environments and invested in technology in order to attract and retain quality staff.

*Factors likely to affect future financial performance*

Now that we have completed the refurbishment of Sandiway Manor and Upton Grange, we are focusing upon extending our premises in order to meet customer demand and expectations.

We propose to extend Trepassey by a further 15 bedrooms, with similar sized extensions anticipated at Upton Grange and Sandiway Manor during the next 5 years.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024**

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## **Structure, governance and management**

Cheshire Residential Homes Trust (the company) is a company limited by guarantee; it was incorporated on 24 April 2021. The company is registered with the Charity Commission under reference 1190162.

On 29 June 2020 the Charity Commission granted approval for a Scheme whereby the company replaced the individual trustees as the sole Trustee of the unincorporated charity The Cheshire Residential Homes Trust. The incorporated charity is referred to as Cheshire Residential Homes with legal and financial responsibilities continuing to lie with the original unincorporated charity The Cheshire Residential Homes Trust.

The unincorporated charity The Cheshire Residential Homes Trust is a registered charity. Its governing instruments are the original Trust Deed dated 1 April 1947 and the Charity Commission Scheme dated 5 April 1957, as amended.

Prior to 7 September 2020 the registered number of the unincorporated charity The Cheshire Residential Homes Trust was 218084; however, with effect from that date the Charity Commission linked it with the incorporated charity Cheshire Residential Homes Trust and its registration number changed to 1190162-1. The Linking Direction was for reporting purposes only; it did not change the separate legal status of the unincorporated and incorporated charities or the nature of restricted funds or endowments, and it does not constitute a merger.

The company has not traded during the period from 24 April 2020 (date of incorporation) to date and it has no assets or liabilities. Accordingly, this report and the financial statements for the accounting period ended 31 March 2023 relate solely to the activities of the unincorporated charity The Cheshire Residential Homes Trust.

## **Trustees**

Under a Charity Commission Scheme dated 3 August 2020 the incorporated charity Cheshire Residential Homes became the sole corporate trustee of The Cheshire Residential Homes Trust. Prior to 3 August 2020 individual Trustees were appointed by the Board of Trustees for a term of three years on the basis of nominations received.

## **Trustee Induction and Training**

New Trustees appointed to the Board of the incorporated charity are inducted into the workings of the unincorporated charity and the incorporated charity at a meeting with the Chairman. A Trustee Information pack is provided on appointment. The pack contains copies of the Trust Deed, together with other documents including "A Guide to being a Trustee of Cheshire Residential Homes Trust" and the Charity Commission publication "The Essential Trustee – What you need to know".

Individual Trustees were expected to attend external training courses that were relevant to their needs.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs S M Cook

Mrs V Godfrey

Mrs A J Marsh

Mrs C L Reeves

Mrs G Rushworth

(Resigned 30 March 2024)

Mrs S Stallard

Mrs J Tetlow

Mr B Dutton

Mrs J C Evans

(Resigned 3 September 2024)

Mrs J Lane

(Appointed 18 July 2023)

Mrs R Roshan

(Appointed 1 October 2023)

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024**

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## *Organisational structure*

Cheshire Residential Homes Trust, the incorporated charity, is the sole trustee of the unincorporated charity The Cheshire Residential Homes Trust. The Trustees of the incorporated charity, Cheshire Residential Homes Trust, meet as a Board at least four times a year to consider general policies and the management and control of issues for which they are responsible. The Trustees also approve the annual budgets for each Home in addition to the Annual Report and Financial Statements.

The Trustees are responsible for deciding the strategic aims of the Charity and for its overall administration and they are assisted by the Chief Executive Officer who is responsible for the Charity's operations and the day-to-day management of the three Homes. The Chief Executive is supported by the General Manager, Estates Manager, Home Managers, the Financial Controller and the Administration and Quality Manager.

An Audit and Risk Management Committee is responsible for ensuring there is a framework of accountability in place within the Charity. It is also responsible for examining and reviewing systems and methods of control, both financial and otherwise, including risk analysis and management; and for ensuring that the charity is complying with all aspects of law, relevant regulations and good practice. The Audit and Risk Management Committee, which meets at least twice a year, consists of three Trustees, the Chief Executive Officer, the Financial Controller and the Administration and Quality Manager.

## **Key Management Personnel**

The Trustees consider the Board of Trustees and the Chief Executive Officer as being key management personnel responsible for directing and controlling the operations of the Charity. These individuals are supported by the Area Manager, Estates Manager, the Financial Controller and the Home Managers.

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and other transactions with Trustees are disclosed in Note 11 to the accounts.

The salaries of the Senior Management Team and all employees in the homes are reviewed annually and usually rise in line with increases in average earnings

The Charity is a member of the National Care Association, which represents care providers in the UK. The Charity also benefits from close support from charities and friends associated with the three Homes. The financial and other support from those organisations and volunteers from within the local communities is greatly appreciated and gladly acknowledged.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024**

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## **Statement of Trustees' responsibilities**

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

The law applicable to charities in England and Wales requires the Charity's Trustees to prepare financial statements each year which give a true and fair view of the state of affairs of the Charity and the incoming resources and application of resources of the Charity for that period

In preparing the financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- 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, the financial position of the Charity at any time, and to enable them as Trustees to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust Deed. The Trustees are also responsible for safeguarding the Charity's assets and taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

The Trustees are also responsible for the maintenance and integrity of the Charity and any financial information on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

## **Auditor**

In accordance with the company's articles, a resolution proposing that Xeinadin Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

## **Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

Mrs S M Cook  
**Trustee**

22 October 2024

# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHESHIRE RESIDENTIAL HOMES TRUST

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## Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHESHIRE RESIDENTIAL HOMES TRUST**

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## **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 directors' report included within the Trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

## **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the formal course of business and reviewing accounting estimates for bias;
- Enquiry of management and those charged with governance to identify any instances of non-compliance with laws and regulations.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF CHESHIRE RESIDENTIAL HOMES TRUST**

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The potential effect of these laws and regulations on the financial statements varies considerably. Firstly, the charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation) and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charity is subject to many other laws and regulations where the consequence of non-compliance should have a material effect on amounts or disclosures in the financial statements, for instance the imposition of fines or litigation or the loss of the charity's license to operate. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach. 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.

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

No instances of material non-compliance were identified, although the prospect of detecting irregularities, including fraud, is inherently difficult. This is due to; difficulty in detecting irregularities; limits imposed by the effectiveness of the entity's controls; and the nature, timing and extent of the audit procedures performed. Irregularities as a result of fraud are inherently more difficult to detect than those that resulting from error. Despite the audit being planned and performed in accordance with ISAs (UK), there is an unavoidable risk that material misstatements may not be detected.

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

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Stephanie Baker BA(Hons) ACA (Senior Statutory Auditor)  
for and on behalf of Xeinadin Audit Limited**

22 October 2024

**Chartered Accountants  
Statutory Auditor**

2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9QP

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
<b>Income and endowments from:</b>									
Donations and legacies	3	1,193	-	-	1,193	1,072	-	-	1,072
Charitable activities	4	4,366,186	-	-	4,366,186	4,036,784	-	-	4,036,784
Investments	5	21,545	-	-	21,545	19,254	-	-	19,254
Other income	6	-	-	-	-	13,641	-	-	13,641
<b>Total income</b>		<u>4,388,924</u>	<u>-</u>	<u>-</u>	<u>4,388,924</u>	<u>4,070,751</u>	<u>-</u>	<u>-</u>	<u>4,070,751</u>
<b>Expenditure on:</b>									
Raising funds	7	3,507	-	-	3,507	3,828	-	-	3,828
Charitable activities	8	4,063,876	-	-	4,063,876	3,678,452	-	-	3,678,452
<b>Total expenditure</b>		<u>4,067,383</u>	<u>-</u>	<u>-</u>	<u>4,067,383</u>	<u>3,682,280</u>	<u>-</u>	<u>-</u>	<u>3,682,280</u>
Net gains/(losses) on investments	13	<u>9,552</u>	<u>-</u>	<u>-</u>	<u>9,552</u>	<u>(49,740)</u>	<u>-</u>	<u>-</u>	<u>(49,740)</u>
<b>Net income and movement in funds</b>		<u>331,093</u>	<u>-</u>	<u>-</u>	<u>331,093</u>	<u>338,731</u>	<u>-</u>	<u>-</u>	<u>338,731</u>
<b>Reconciliation of funds:</b>									
Fund balances at 1 April 2023		<u>2,890,488</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,581,420</u>	<u>2,551,757</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,242,689</u>
<b>Fund balances at 31 March 2024</b>		<u>3,221,581</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,912,513</u>	<u>2,890,488</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,581,420</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)  
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

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

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
BALANCE SHEET**

**AS AT 31 MARCH 2024**

	Notes	2024		2023	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15		6,156,345		6,128,388
Investments	16		588,364		589,951
			<u>6,744,709</u>		<u>6,718,339</u>
<b>Current assets</b>					
Debtors	17	451,223		373,796	
Investments	18	30,575		197,156	
Cash at bank and in hand		1,985,058		1,612,712	
		<u>2,466,856</u>		<u>2,183,664</u>	
<b>Creditors: amounts falling due within one year</b>	19	(299,052)		(320,583)	
<b>Net current assets</b>			<u>2,167,804</u>		<u>1,863,081</u>
<b>Total assets less current liabilities</b>			<u>8,912,513</u>		<u>8,581,420</u>
<b>Net assets excluding pension liability</b>			<u>8,912,513</u>		<u>8,581,420</u>
<b>The funds of the Charity</b>					
Endowment funds	20		5,689,000		5,689,000
Restricted income funds	21		1,932		1,932
Unrestricted funds			3,221,581		2,890,488
			<u>8,912,513</u>		<u>8,581,420</u>

The financial statements were approved by the Trustees on 22 October 2024

Mrs S M Cook  
**Trustee**

Company registration number 12571844 (England and Wales)

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	2024 £	£	2023 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	28		238,982		282,729
<b>Investing activities</b>					
Purchase of tangible fixed assets		(65,901)		(115,311)	
Proceeds from disposal of tangible fixed assets		-		3,350	
Purchase of investments		(626,339)		(29,651)	
Proceeds from disposal of investments		637,478		46,426	
Investment income received		21,545		19,254	
<b>Net cash used in investing activities</b>			(33,217)		(75,932)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			205,765		206,797
Cash and cash equivalents at beginning of year			1,809,868		1,603,071
<b>Cash and cash equivalents at end of year</b>			<u>2,015,633</u>		<u>1,809,868</u>
<b>Relating to:</b>					
Cash at bank and in hand			1,985,058		1,612,712
Short term deposits included in current asset investments			<u>30,575</u>		<u>197,156</u>

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **NOTES TO THE FINANCIAL STATEMENTS**

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

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#### **1 Accounting policies**

##### **Charity information**

Cheshire Residential Homes Trust is a private company limited by guarantee incorporated in England and Wales. The principle address is Sandiway Manor, Norley Road, Sandiway, Northwich, CW8 2JW.

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

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

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

##### **1.2 Going concern**

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

##### **1.3 Charitable funds**

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the Charity's charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a specific fund for a specific purpose.

Restricted funds are funds that are to be used in accordance with the specific restrictions imposed by the donor.

Endowed funds are funds used for a specific purpose or purposes of the Charity. The Trustees have been advised by Brabners LLP, solicitors, that they consider the freehold and buildings to be permanent endowment, being functional land and buildings to be held in perpetuity by the Charity. Accordingly, in these Financial Statements the freehold land and buildings have been treated as permanent endowment.

##### **1.4 Income**

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

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. Donations subject to specific wishes of the donors are carried to relevant restricted funds. Donations receivable for the general purposes of the Charity are credited to unrestricted funds.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**1 Accounting policies**

**(Continued)**

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event of the legacy gift being in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition would be subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset being transferred to the Charity.

Interest on investments and on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity.

Dividends from listed companies are recognised once the dividend has been declared and notification has been received of the dividend due.

**1.5 Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on the accrual basis.

All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings. VAT is included with the item of expense to which it relates.

Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving public accountability of the Charity and its compliance with regulation and good practice. These costs include related statutory audit fees together with apportionments of overhead and support costs.

**1.6 Tangible fixed assets**

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

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

Freehold land and buildings	Not Depreciated
Plant, Equipment & Furnishings	At varying rates on cost and reducing balance
Motor vehicles	25% reducing balance

No provision is made for depreciation in respect of freehold properties. This policy has been adopted because the value of these assets is maintained by the Charity's continued programme of property maintenance and improvements; consequently, any element of depreciation would, in the opinion of the Trustees, be immaterial. Furthermore, the Trustees carry out an annual impairment review.

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

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**1 Accounting policies**

**(Continued)**

**1.7 Fixed asset investments**

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

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

The main form of 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 other investments.

**1.8 Impairment of fixed assets**

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

**1.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.10 Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**1 Accounting policies (Continued)**

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**1.11 Employee benefits**

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

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

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

**2 Critical accounting estimates and judgements**

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

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

**Critical judgements**

**Property Valuations**

Both freehold land and buildings are held at revalued amounts based on professional valuations. Actual value may differ to estimated value which could result in under or over statement of asset value.

**Determining Residual Values and useful economic lives of plant and equipment**

The Trust depreciates tangible assets over their estimated useful lives based on historic performance. The actual lives can vary. Judgement is applied also in the residual values of plant and equipment. When determining the residual value the directors aim to assess the amount that the asset would currently obtain if the asset were disposed using market prices where possible.

**3 Income from donations and legacies**

	<b>Unrestricted funds 2024 £</b>	<b>Unrestricted funds 2023 £</b>
Donations and gifts	1,193	1,072

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**4 Income from charitable activities**

	<b>Unrestricted funds 2024 £</b>	<b>Unrestricted funds 2023 £</b>
<b>Sandimoor Manor</b>		
Residential Care	1,295,935	1,225,331
<b>Trepassey</b>		
Residential Care	2,024,934	1,803,453
<b>Upton Grange</b>		
Residential Care	1,045,317	1,008,000
	<u>4,366,186</u>	<u>4,036,784</u>

**5 Investments**

	<b>Unrestricted funds 2024 £</b>	<b>Unrestricted funds 2023 £</b>
Income from listed investments	3,364	18,691
Interest receivable	18,181	563
	<u>21,545</u>	<u>19,254</u>

**6 Other income**

	<b>Unrestricted funds 2024 £</b>	<b>Unrestricted funds 2023 £</b>
Net gain on disposal of tangible fixed assets	-	2,106
Coronavirus Grants	-	9,396
Sundry Income	-	2,139
	<u>-</u>	<u>13,641</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**7 Raising Funds**

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Investment management	3,507	3,828

**8 Charitable Activities**

	Sandiway Manor 2024 £	Trepassey 2024 £	Upton Grange 2024 £	Trustees 2024 £	Total 2024 £
<b>Direct costs</b>					
Staff costs	882,039	1,129,329	672,027	-	2,683,395
Depreciation and impairment	6,348	12,672	5,364	13,560	37,944
Agency Fees	68,409	18,012	4,813	-	91,234
Catering and Housekeeping	110,784	120,191	84,955	-	315,930
Rates and Insurance	16,204	8,594	9,689	70,280	104,767
Heat and Light	22,933	44,797	23,820	-	91,550
Maintenance	108,455	62,253	85,167	-	255,875
ICT leasing and support	11,920	13,078	11,079	72,440	108,517
Other Expenditure	45,062	45,828	38,946	-	129,836
	<u>1,272,154</u>	<u>1,454,754</u>	<u>935,860</u>	<u>156,280</u>	<u>3,819,048</u>
<b>Share of support and governance costs (see note 9)</b>					
Support	-	-	-	171,590	171,590
Governance	-	-	-	73,238	73,238
	<u>1,272,154</u>	<u>1,454,754</u>	<u>935,860</u>	<u>401,108</u>	<u>4,063,876</u>
<b>Analysis by fund</b>					
Unrestricted funds	<u>1,272,154</u>	<u>1,454,754</u>	<u>935,860</u>	<u>401,108</u>	<u>4,063,876</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**8 Charitable Activities (Continued)**

Previous year:	Sandiway Manor 2023 £	Trepassey 2023 £	Upton Grange 2023 £	Trustees 2023 £	Total 2023 £
<b>Direct costs</b>					
Staff costs	761,050	982,783	654,760	-	2,398,593
Depreciation and impairment	3,852	12,540	4,344	5,841	26,577
Agency Fees	100,238	29,773	29,357	-	159,368
Catering and Housekeeping	99,689	109,973	78,009	-	287,671
Rates and Insurance	16,256	14,105	9,726	56,865	96,952
Heat and Light	9,957	27,309	(4,460)	-	32,806
Maintenance	70,131	21,053	108,792	-	199,976
ICT leasing and support	10,714	19,487	16,639	43,242	90,082
Other Expenditure	37,625	35,327	32,669	-	105,621
Bad and Doubtful Debts	24,673	19,589	6,951	-	51,213
	<u>1,134,185</u>	<u>1,271,939</u>	<u>936,787</u>	<u>105,948</u>	<u>3,448,859</u>
<b>Share of support and governance costs (see note 9)</b>					
Support	-	-	-	159,256	159,256
Governance	-	-	-	70,337	70,337
	<u>1,134,185</u>	<u>1,271,939</u>	<u>936,787</u>	<u>335,541</u>	<u>3,678,452</u>
<b>Analysis by fund</b>					
Unrestricted funds	<u>1,134,185</u>	<u>1,271,939</u>	<u>936,787</u>	<u>335,541</u>	<u>3,678,452</u>

**9 Support costs allocated to activities**

	2024 £	2023 £
Staff costs	153,474	136,788
Other costs	5,352	5,229
Legal and professional fees	12,764	17,239
Governance costs	73,238	70,337
	<u>244,828</u>	<u>229,593</u>
<b>Analysed between:</b>		
Trustees	<u>244,828</u>	<u>229,593</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

<b>9</b>	<b>Support costs allocated to activities</b>	<b>(Continued)</b>	
		<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
	<b>Governance costs comprise:</b>		
	Staff costs	66,938	62,474
	Audit fees	6,300	7,863
		<u>73,238</u>	<u>70,337</u>
		<u><u>73,238</u></u>	<u><u>70,337</u></u>
<b>10</b>	<b>Net movement in funds</b>	<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the audit of the charity's financial statements	6,300	7,863
	Depreciation of owned tangible fixed assets	37,944	26,577
	Loss/(profit) on disposal of tangible fixed assets	-	(2,106)
		<u>-</u>	<u>(2,106)</u>
		<u><u>-</u></u>	<u><u>(2,106)</u></u>
<b>11</b>	<b>Trustees</b>		
	None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.		
<b>12</b>	<b>Employees</b>		
	The average monthly number of employees during the year was:		
		<b>2024</b>	<b>2023</b>
		<b>Number</b>	<b>Number</b>
	Provision of care and ancillary services	133	121
	Management and administration	4	5
		<u>137</u>	<u>126</u>
	Total	<u><u>137</u></u>	<u><u>126</u></u>
	<b>Employment costs</b>	<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
	Wages and salaries	2,638,247	2,406,264
	Social security costs	199,474	141,639
	Other pension costs	66,086	49,952
		<u>2,903,807</u>	<u>2,597,855</u>
		<u><u>2,903,807</u></u>	<u><u>2,597,855</u></u>

The Charity's key management personnel now comprise the Trustees and the Chief Executive Officer. The Chief Executive Officer is supported by the General Manager, the Home Managers and the Administration and Quality Manager who is also the Nominated Individual for CQC purposes. The total employment benefits of the Chief Executive Officer (R I MacGregor), including employer pension contributions, was £61,721 (2023 - £57,379).

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**12 Employees**

(Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	<b>2024 Number</b>	<b>2023 Number</b>
60,001 - 70,000	1	-

**13 Net gains/(losses) on investments**

	<b>Unrestricted funds 2024 £</b>	<b>Unrestricted funds 2023 £</b>
Gain/(loss) on sale of investments	9,552	(49,740)

**14 Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**15 Tangible fixed assets**

	<b>Freehold land and buildings £</b>	<b>Plant, Equipment &amp; Furnishings £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2023	5,689,000	555,513	-	6,244,513
Additions	-	43,124	22,777	65,901
At 31 March 2024	5,689,000	598,637	22,777	6,310,414
<b>Depreciation and impairment</b>				
At 1 April 2023	-	116,125	-	116,125
Depreciation charged in the year	-	32,724	5,220	37,944
At 31 March 2024	-	148,849	5,220	154,069
<b>Carrying amount</b>				
At 31 March 2024	5,689,000	449,788	17,557	6,156,345
At 31 March 2023	5,689,000	439,388	-	6,128,388

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**15 Tangible fixed assets**

**(Continued)**

The freehold land and buildings Sandiway Manor, Trepassey and Upton Grange were valued at 31 March 2020 by Allied Surveyors, Chester, on an open market value basis in accordance with the guidelines issued by the Royal Institute of Chartered Surveyors. At 31 March 2020 the freehold land and buildings were valued at £5,689,000. At 31 March 2020 the historical cost of the properties was £10,824,895.

The valuations at 31 March 2020 reflected improvements made to the properties over a period of time, but they did not take into account the cost of such improvements or the unique nature of the buildings, in particular the building at Trepassey which, in recent years, has been extensively extended and remodelled. Instead, the valuations were based upon the likely value of the properties assuming that the Homes were fully trading operational entities, but within the private sector, rather than the voluntary sector.

The Trustees consider that the value of the freehold properties as at 31 March 2024 have not changed materially since 31st March 2020.

**16 Fixed asset investments**

	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 April 2023	589,951
Additions	626,339
Valuation changes	9,552
Disposals	(637,478)
	<hr/>
At 31 March 2024	588,364
	<hr/>
<b>Carrying amount</b>	
At 31 March 2024	588,364
	<hr/> <hr/>
At 31 March 2023	589,951
	<hr/> <hr/>
	<b>2024</b>
	<b>£</b>
Investments at fair value comprise:	
	<b>2023</b>
	<b>£</b>
COIF Charities Investment Fund	81,730
UK and overseas equities and specialist funds	484,423
Fixed Interest Securities	22,210
	<hr/>
	588,363
	<hr/> <hr/>
	589,951
	<hr/> <hr/>

All investments are carried at their fair value. Investments in equities, specialist and multi-asset funds and fixed interest securities are all quoted in public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at bid price. The basis of fair value for quoted investments is equivalent to market value, using the bid price.

Asset sales and purchases are recognised at the date of trade at their transaction value.

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

Historic cost of investments is £511,892 (2023: £469,068).

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**17 Debtors**

	<b>2024</b>	<b>2023</b>
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	180,930	97,576
Other debtors	259,232	264,165
Prepayments and accrued income	11,061	12,055
	<u>451,223</u>	<u>373,796</u>

Other debtors include £223,466 (2023: £223,466) due from The Jardine Charitable Trust Fund, in respect of a transfer in relation to compensation payable to Trepassey for the consequential loss arising as a result of the unavailability of a number of bedrooms in preparation for and during work in extending and remodelling that Home.

**18 Current asset investments**

	<b>2024</b>	<b>2023</b>
	£	£
Short term deposits	30,575	197,156
	<u>30,575</u>	<u>197,156</u>

**19 Creditors: amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	£	£
Trade creditors	35,692	38,735
Other creditors	259,223	270,914
Accruals and deferred income	4,137	10,934
	<u>299,052</u>	<u>320,583</u>

Other creditors includes Trepassey – compensation for loss of income representing £223,466 (2023 - £223,466) an amount payable to Trepassey by The Jardine Charitable Trust Fund. This is in respect of compensation for the consequential loss arising as a result of the unavailability of a number of bedrooms in preparation for and during work in extending and remodelling the Home.

**20 Endowment funds**

Endowment funds represent assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	<b>At 1 April 2023</b>	<b>At 31 March 2024</b>
	£	£
<b>Permanent endowments</b>		
Freehold land and buildings	5,689,000	5,689,000
	<u>5,689,000</u>	<u>5,689,000</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**20 Endowment funds (Continued)**

Previous year: At 1 April 2022 At 31 March 2023  
£ £

**Permanent endowments**

Freehold land and buildings	5,689,000	5,689,000
	<u>5,689,000</u>	<u>5,689,000</u>

The Permanent Endowment Fund represents the value of the freehold land and buildings, which are considered to be functional assets to be held by the Charity in perpetuity.

**21 Restricted funds**

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	At 31 March 2024
	£	£
Lady Becke Fund	1,932	1,932
	<u>1,932</u>	<u>1,932</u>

**Previous year:**

	At 1 April 2022	At 31 March 2023
	£	£
Lady Becke Fund	1,932	1,932
	<u>1,932</u>	<u>1,932</u>

The Lady Becke Fund relates to monies donated in memory of the late Lady Becke to provide nursing care to residents of the Homes, should the need arise.

**22 Unrestricted funds**

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2024
	£	£	£	£	£	£
Maintenance Reserve	226,275	-	(170,660)	160,000	-	215,615
General funds	2,664,213	4,388,924	(3,896,723)	(160,000)	9,552	3,005,966
	<u>2,890,488</u>	<u>4,388,924</u>	<u>(4,067,383)</u>	<u>-</u>	<u>9,552</u>	<u>3,221,581</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**22 Unrestricted funds (Continued)**

Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2023
	£	£	£	£	£	£
Maintenance Reserve	22,641	-	(131,366)	335,000	-	226,275
General funds	2,529,116	4,070,751	(3,550,914)	(335,000)	(49,740)	2,664,213
	<u>2,551,757</u>	<u>4,070,751</u>	<u>(3,682,280)</u>	<u>-</u>	<u>(49,740)</u>	<u>2,890,488</u>

**23 Analysis of net assets between funds**

	Unrestricted funds 2024	Restricted funds 2024	Endowment funds 2024	Total 2024
	£	£	£	£
<b>At 31 March 2024:</b>				
Tangible assets	467,345	-	5,689,000	6,156,345
Investments	588,364	-	-	588,364
Current assets/(liabilities)	2,165,872	1,932	-	2,167,804
	<u>3,221,581</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,912,513</u>

	Unrestricted funds 2023	Restricted funds 2023	Endowment funds 2023	Total 2023
	£	£	£	£
<b>At 31 March 2023:</b>				
Tangible assets	439,388	-	5,689,000	6,128,388
Investments	589,951	-	-	589,951
Current assets/(liabilities)	1,861,149	1,932	-	1,863,081
	<u>2,890,488</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,581,420</u>

**24 Operating lease commitments**

**Lessee**

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

	2024 £	2023 £
Within one year	1,821	2,922
Between two and five years	1,278	2,229
	<u>3,099</u>	<u>5,151</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**25 Capital commitments**

	<b>2024</b>	<b>2023</b>
	£	£
Acquisition of property, plant and equipment	900,000	-
	<u>900,000</u>	<u>-</u>

**26 Events after the reporting date**

In September 2023 the charity committed to purchasing a plot of land for a sum of £900,000. This purchase completed in May 2024.

**27 Related party transactions**

The Trustees all give freely their time and expertise without any form of remuneration or other benefits in cash or in kind.

Trustees' travelling and out-of-pocket expenses reimbursed during 2024 amounted to £Nil (2023 – Nil).

**28 Cash generated from operations**

	<b>2024</b>	<b>2023</b>
	£	£
Surplus for the year	331,093	338,731
Adjustments for:		
Investment income recognised in statement of financial activities	(21,545)	(19,254)
Gain on disposal of tangible fixed assets	-	(2,106)
(Gain)/loss on disposal of investments	(9,552)	49,740
Depreciation and impairment of tangible fixed assets	37,944	26,577
Movements in working capital:		
(Increase) in debtors	(77,427)	(14,500)
(Decrease) in creditors	(21,531)	(96,459)
<b>Cash generated from operations</b>	<u>238,982</u>	<u>282,729</u>

**CHESHIRE RESIDENTIAL HOMES TRUST**

England & Wales - Charity number 1190162

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# Accounts

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Charity Registration No. 1190162

Company Registration No. 12571844 (England and Wales)

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Cheshire Residential Homes Trust - A company limited by guarantee.**

<b>Trustees</b>	Mrs S M Cook Mr B Dutton Mrs V Godfrey Mrs A J Marsh Mrs C L Reeves Mrs G Rushworth Mrs J Tetlow Mrs S Stallard Mrs J C Evans Mrs J Lane Mrs R Roshnan	(Appointed 7 February 2023) (Appointed 18 July 2023) (Appointed 1 October 2023)
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**Charity number** 1190162

**Company number** 12571844

**Principal address**  
Sandiway Manor  
Norley Road  
Sandiway  
Northwich  
Cheshire  
CW8 2JW

**Auditor**  
Xeinaidin Audit Limited  
2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9QP

**Bankers**  
Natwest Bank plc  
1 Hardman Boulevard  
Manchester  
M3 3AQ

**Solicitors**  
Brabners LLP  
Horton House  
Exchange Flags  
Liverpool  
Merseyside  
L2 3YL

Cullimore Dutton  
20 White Friars  
Chester  
Cheshire  
CH1 1XS

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# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES LEGAL AND ADMINISTRATIVE INFORMATION**

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**Investment advisors**

Castlefield Investments Limited  
1 Portland Street  
Manchester  
M1 3LA

**Linked Charities - The Cheshire Residential Homes Trust and The Jardine Trust**

**Trustee**

Cheshire Residential Homes Trust

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# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES CONTENTS

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# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2023**

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The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's memorandum and articles, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

The purpose of the Charity is to provide residential care for elderly people living in Cheshire and Wirral and for the relatives of people who have lived in those areas for a number of years, and, for various reasons, find it impossible to stay in their own homes.

The Board's main objectives are:

- to ensure that residents continue to receive a high standard of care in a safe environment that has a friendly and homely atmosphere;
- to ensure that the standard of accommodation and facilities are maintained for the benefit of residents;
- to provide staff development and training so as to enhance their experience of working for the Charity and to ensure that they are able to provide residents with a high standard of care;
- to provide respite care for the benefit of elderly people in the local communities of Sandiway, Heswall and Macclesfield.

In setting their objectives and planning activities the Trustees have given careful consideration to the Charity Commissions' general guidance on public benefit and, in particular, to its supplementary guidance on fee-charging; the Trustees have also had regard to their commitment to:

- attracting residents from all backgrounds irrespective of financial means;
- safeguarding and promoting the welfare of residents and staff;
- providing a working environment that is free from discrimination on the grounds of race, colour, ethnicity, gender, sexual orientation, religion or disability.

The Charity owns three residential homes at:

<b>Sandiway Manor</b>	1 Norley Road, Sandiway, Northwich, Cheshire
<b>Trepassey</b>	Hillside Road, Heswall, Wirral, Merseyside
<b>Upton Grange</b>	214 Prestbury Road, Macclesfield, Cheshire

The Charity furthers its charitable purposes by providing comfortable surroundings for residents, irrespective of their financial means, where they can benefit from a safe and friendly environment and where their individual needs are met in full.

Each Home is set in its own grounds. Residents have separate rooms, with their own furniture if they wish, where they can entertain relatives and friends. In addition, each Home has a lounge and dining room and there are rooms for short-stay visitors and for any prospective resident who wishes to stay for a trial period.

Residents enjoy the privacy of their own rooms, where they can spend as much or as little time as they choose – apart from main meals which are usually taken with the other residents. Residents may go out at any time provided the Manager or her Deputy is informed. Residents may also participate in the full and varied activities offered by each Home.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2023**

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Residents pay fees towards the cost of running the Homes, such fees being assessed on the basis of their financial means; the balance of running costs is met from donations and legacies and from top-up fee payments by Local Authorities.

During the year an average of 14% (2022 – 18%) of permanent residents were funded by Local Authorities.

In addition, we aim to provide fee subsidies for some of our residents, during 2022-23 subsidies totalled £186,447 (2021-22 £199,272) representing approximately 5% (2021-22 6%) of gross fees.

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

#### **Achievements and performance**

The successful introduction of the General Manager role, together with structured audits of Care and Quality standards, has enabled us to provide, monitor and maintain consistent, common standards within our Homes.

Provision was made for a substantial refurbishment and maintenance fund, in order to raise the standard of our public areas, kitchens and external areas and all works were completed during the year and within budget.

We continue to upskill and expand management roles in order to ensure career development, cost efficiency and improved standards and have also invested in apprenticeships in order to encourage young people to identify and benefit from career opportunities in the Care Sector.

We have also progressed with our plans to enlarge , upgrade and modernize our accommodation at both Upton Grange and Sandiway Manor, which has become integral to our recently reviewed 5 year Strategic Plan, approved and supported by our Trustees.

In addition, we have also seized the opportunity to build upon our success at Trepassey with a proposed purchase of adjoining land that would enable us to extend our accommodation in the future.

#### **Financial review**

The operating results for the year were pleasing with the Charity achieving an operating surplus for the year on unrestricted funds of £388,471.

The surplus generated throughout the year by each home is testament to the exceptional standards all employees and Trustees of Cheshire Residential Homes Trust have continued to achieve following the global pandemic of Covid-19. The incredibly hard work all employees put in to ensuring that all homes continued to provide excellent care to all our residents during the pandemic period and since has ensured that the trust can still provide high quality care within budget.

Sandiway Manor continued to have high occupancy levels at 91% averaged throughout the year but due to issues with recruitment in the local area, the home was hit hard with high agency costs throughout the year which impacted on the overall surplus as a home. The home still continued to deliver excellent quality care for all residents throughout the year which shows in the occupancy figure for the year.

Trepassey Residential Home had another hugely successful year whilst maintaining good occupancy levels of 94%.

Expenditure in all areas of the home were kept under close observation to be able to achieve excellent outcomes for the year.

Upton Grange overall had a lower occupancy level for the year of 79% due to a lower intake of resident numbers due to a high number of other provisions in the local area. Overall Upton still managed to maintain a surplus for the year.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

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**Reserves Policy**

The Trustees have established a policy whereby unrestricted reserves not committed or invested in fixed assets or investments held by the Charity should be in the region of four months' expenditure, which equates to approximately £1,250,000. At this level the Trustees feel that they would be able to continue the current activities of the Charity if there were to be a significant fall in income as a result of the coronavirus pandemic or for any other reason. At 31 March 2023 the free reserves of the Charity were £1,634,874 (2022 - £1,545,325) and therefore exceeded the required level of £1,250,000 (2022 - £1,144,500).

**Investment Policy and Performance**

The Trustees' investment powers are governed by the Trustees Act 2000.

The Trustees' long-term policy for the general portfolios is to maximise income while preserving the value of the investments. The Charity's general investments have continued to be managed in accordance with that policy. The day-to-day management of the general investment portfolios has been delegated to Castlefield Investments Limited who provide a discretionary investment management service.

The investment portfolios derive their income from the underlying investments held, typically company dividends, interest payments on bonds and rents from commercial properties.

Unfortunately during the 12 months performance up to March 2023 the investment funds lost just over 9% of its total value for the year due to ongoing lower performing portfolios after the pandemic and war in Ukraine.

The Trust saw a realised investment gain of £500 (2022 – Gain of £1,688) and an unrealised loss of £50,240 (2021 – Gain of £6,353).

**Risk Management**

The ongoing national problem with staff shortages has created a potential risk to our business, as has the significant rise in the Minimum Wage. We have taken our entire workforce above minimum wage, established an Apprenticeship Programme and enhanced our staff benefits package, upgraded our work environments and invested in technology in order to attract and retain quality staff.

**Plans for the future**

Our plans to upgrade our accommodation will enable us to meet the expectations of potential customers, allowing us to seek fee levels that will enable us to provide excellent care, high quality facilities and staff, maintain and extend our charitable activities and increase our community activities.

This will enable us to raise our profile and erase the negative view of Residential Care Homes that prevailed during the Covid pandemic.

# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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## Structure, governance and management

### Structure and Governing Document

Cheshire Residential Homes Trust (the company) is a company limited by guarantee; it was incorporated on 24 April 2021. The company is registered with the Charity Commission under reference 1190162.

On 29 June 2020 the Charity Commission granted approval for a Scheme whereby the company replaced the individual trustees as the sole Trustee of the unincorporated charity The Cheshire Residential Homes Trust. The incorporated charity is referred to as Cheshire Residential Homes with legal and financial responsibilities continuing to lie with the original unincorporated charity The Cheshire Residential Homes Trust.

The unincorporated charity The Cheshire Residential Homes Trust is a registered charity. Its governing instruments are the original Trust Deed dated 1 April 1947 and the Charity Commission Scheme dated 5 April 1957, as amended.

Prior to 7 September 2020 the registered number of the unincorporated charity The Cheshire Residential Homes Trust was 218084; however, with effect from that date the Charity Commission linked it with the incorporated charity Cheshire Residential Homes Trust and its registration number changed to 1190162-1. The Linking Direction was for reporting purposes only; it did not change the separate legal status of the unincorporated and incorporated charities or the nature of restricted funds or endowments, and it does not constitute a merger.

The company has not traded during the period from 24 April 2020 (date of incorporation) to date and it has no assets or liabilities. Accordingly, this report and the financial statements for the accounting period ended 31 March 2023 relate solely to the activities of the unincorporated charity The Cheshire Residential Homes Trust.

### Trustees

Under a Charity Commission Scheme dated 3 August 2020 the incorporated charity Cheshire Residential Homes became the sole corporate trustee of The Cheshire Residential Homes Trust. Prior to 3 August 2020 individual Trustees were appointed by the Board of Trustees for a term of three years on the basis of nominations received.

### Trustee Induction and Training

New Trustees appointed to the Board of the incorporated charity are inducted into the workings of the unincorporated charity and the incorporated charity at a meeting with the Chairman. A Trustee Information pack is provided on appointment. The pack contains copies of the Trust Deed, together with other documents including "A Guide to being a Trustee of Cheshire Residential Homes Trust" and the Charity Commission publication "The Essential Trustee – What you need to know".

Individual Trustees were expected to attend external training courses that were relevant to their needs.

## Reference and Administrative Information

**President:** Mrs. J Bromley-Davenport

**Trustees:** The Trustees who currently serve and those who served during the financial year for the corporate trustee were as follows:

Mrs A Brough	(Resigned 19 July 2022)
Mrs S M Cook	
Mr B Dutton	
Mrs V Godfrey	
Mrs A J Marsh	
Mrs C L Reeves	
Mrs G Rushworth	
Mrs J Tetlow	
Mrs S Stallard	
Mrs J C Evans	(Appointed 7 February 2023)
Mrs J Lane	(Appointed 18 July 2023)
Mrs R Roshnan	(Appointed 1 October 2023)

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

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## **Organisational Management**

Cheshire Residential Homes Trust, the incorporated charity, is the sole trustee of the unincorporated charity The Cheshire Residential Homes Trust. The Trustees of the incorporated charity, Cheshire Residential Homes Trust, meet as a Board at least four times a year to consider general policies and the management and control of issues for which they are responsible. The Trustees also approve the annual budgets for each Home in addition to the Annual Report and Financial Statements.

The Trustees are responsible for deciding the strategic aims of the Charity and for its overall administration and they are assisted by the Chief Executive Officer who is responsible for the Charity's operations and the day-to-day management of the three Homes. The Chief Executive is supported by the General Manager, Estates Manager, Home Managers, the Financial Controller and the Administration and Quality Manager.

An Audit and Risk Management Committee is responsible for ensuring there is a framework of accountability in place within the Charity. It is also responsible for examining and reviewing systems and methods of control, both financial and otherwise, including risk analysis and management; and for ensuring that the charity is complying with all aspects of law, relevant regulations and good practice. The Audit and Risk Management Committee, which meets at least twice a year, consists of three Trustees, the Chief Executive Officer, the Financial Controller and the Administration and Quality Manager.

## **Organisational Structure and Relationships**

The Charity is a member of the National Care Association, which represents care providers in the UK. The Charity also benefits from close support from charities and friends associated with the three Homes. The financial and other support from those organisations and volunteers from within the local communities is greatly appreciated and gladly acknowledged.

## **Key Management Personnel**

The Trustees consider the Board of Trustees and the Chief Executive Officer as being key management personnel responsible for directing and controlling the operations of the Charity. These individuals are supported by the General Manager, the Home Managers, the Financial Controller and the Administration and Quality Manager, who is also the Nominated Individual for CQC purposes.

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and other transactions with Trustees are disclosed in Note 11 to the accounts.

The salaries of the Chief Executive Officer, the Home Managers, the Financial Controller and the Administration Manager are reviewed annually and usually rise in line with increases in average earnings

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

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## **Statement of Trustees' responsibilities**

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

The law applicable to charities in England and Wales requires the Charity's Trustees to prepare financial statements each year which give a true and fair view of the state of affairs of the Charity and the incoming resources and application of resources of the Charity for that period

In preparing the financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- 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, the financial position of the Charity at any time, and to enable them as Trustees to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust Deed. The Trustees are also responsible for safeguarding the Charity's assets and taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

The Trustees are also responsible for the maintenance and integrity of the Charity and any financial information on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

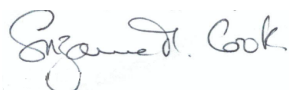
## **Auditor**

In accordance with the company's articles, a resolution proposing that Xeinadin Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

## **Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Mrs S M Cook  
**Trustee**

24 October 2023

# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHESHIRE RESIDENTIAL HOMES TRUST

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## Opinion

We have audited the financial statements of Cheshire Residential Homes Trust (the 'Charity') which includes the linked charities for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company'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 Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHESHIRE RESIDENTIAL HOMES TRUST**

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## **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 directors' report included within the Trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

## **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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

Enquiries of management and those charged with governance were held in order to identify any laws and regulations that could be expected to have a material impact on the financial statements. Throughout the audit, the team were updated with the outcomes of these enquiries including consideration as to where and how fraud may occur in the Charity.

The audit procedures undertaken to address any potential risk in relation to irregularities (which include fraud and non-compliance with laws and regulations) included: enquiries of management and those charged with governance on how the Charity complies with relevant laws, regulations and any cases of actual or potential litigation or claims; examination of appropriate legal correspondence; review of board minutes; testing of journal entries for appropriateness; and analytical procedures on account balances to identify variances against expectation which may show indications of fraud.

No instances of material non-compliance were identified, although the prospect of detecting irregularities, including fraud, is inherently difficult. This is due to; difficulty in detecting irregularities; limits imposed by the effectiveness of the entity's controls; and the nature, timing and extent of the audit procedures performed. Irregularities as a result of fraud are inherently more difficult to detect than those that resulting from error. Despite this, the audit being planned and performed in accordance with ISAs (UK), there is an unavoidable risk that material misstatements may not be detected.

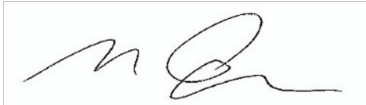
A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF CHESHIRE RESIDENTIAL HOMES TRUST**

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**Use of our report**

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



**Michael Caputo FCA (Senior Statutory Auditor)  
for and on behalf of Xeinadin Audit Limited**

24 October 2023

**Chartered Accountants  
Statutory Auditor**

2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9QP

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

Current financial year

		Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
<b><u>Income and endowments from:</u></b>						
Donations and legacies	3	1,072	-	-	1,072	625
Charitable activities	4	4,036,784	-	-	4,036,784	3,519,086
Investments	5	19,254	-	-	19,254	16,954
Other income	6	13,641	-	-	13,641	167,371
<b>Total income</b>		<u>4,070,751</u>	<u>-</u>	<u>-</u>	<u>4,070,751</u>	<u>3,704,036</u>
<b><u>Expenditure on:</u></b>						
Raising funds	7	3,828	-	-	3,828	4,253
Charitable activities	8	3,678,452	-	-	3,678,452	3,187,455
<b>Total resources expended</b>		<u>3,682,280</u>	<u>-</u>	<u>-</u>	<u>3,682,280</u>	<u>3,191,708</u>
Operating surplus		388,471	-	-	388,471	512,328
Net gains/(losses) on investments	12	(49,740)	-	-	(49,740)	8,041
<b>Net movement in funds</b>		<u>338,731</u>	<u>-</u>	<u>-</u>	<u>338,731</u>	<u>520,369</u>
Fund balances at 1 April 2022		<u>2,551,757</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,242,689</u>	<u>7,722,320</u>
<b>Fund balances at 31 March 2023</b>		<u><u>2,890,488</u></u>	<u><u>1,932</u></u>	<u><u>5,689,000</u></u>	<u><u>8,581,420</u></u>	<u><u>8,242,689</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

Prior financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	625	-	-	625
Charitable activities	4	3,519,086	-	-	3,519,086
Investments	5	16,954	-	-	16,954
Other income	6	167,371	-	-	167,371
<b>Total income</b>		<b>3,704,036</b>	<b>-</b>	<b>-</b>	<b>3,704,036</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	4,253	-	-	4,253
Charitable activities	8	3,187,455	-	-	3,187,455
<b>Total resources expended</b>		<b>3,191,708</b>	<b>-</b>	<b>-</b>	<b>3,191,708</b>
Operating surplus		512,328	-	-	512,328
Net gains/(losses) on investments	12	8,041	-	-	8,041
<b>Net movement in funds</b>		<b>520,369</b>	<b>-</b>	<b>-</b>	<b>520,369</b>
Fund balances at 1 April 2021		2,031,388	1,932	5,689,000	7,722,320
<b>Fund balances at 31 March 2022</b>		<b>2,551,757</b>	<b>1,932</b>	<b>5,689,000</b>	<b>8,242,689</b>

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

All income and expenditure derive from continuing activities.

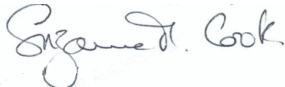
The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
BALANCE SHEET**

**AS AT 31 MARCH 2023**

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		6,128,388		6,040,898
Investments	15		589,951		656,466
			6,718,339		6,697,364
<b>Current assets</b>					
Debtors	16	373,796		359,296	
Investments	17	197,156		196,496	
Cash at bank and in hand		1,612,712		1,406,575	
		2,183,664		1,962,367	
<b>Creditors: amounts falling due within one year</b>	18	(320,583)		(417,042)	
Net current assets			1,863,081		1,545,325
<b>Total assets less current liabilities</b>			8,581,420		8,242,689
<b>Capital funds</b>					
Endowment funds - general	19		5,689,000		5,689,000
<b>Income funds</b>					
Restricted funds	20		1,932		1,932
<u>Unrestricted funds</u>					
Designated funds	21	226,275		22,641	
General unrestricted funds		2,664,213		2,529,116	
		2,890,488		2,551,757	
			8,581,420		8,242,689

The financial statements were approved by the Trustees on 24 October 2023



Mrs S M Cook

**Company Registration No. 12571844**

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	27		282,729		412,903
<b>Investing activities</b>					
Purchase of tangible fixed assets		(115,311)		(39,073)	
Proceeds from disposal of tangible fixed assets		3,350		-	
Purchase of investments		(29,651)		(17,626)	
Proceeds from disposal of investments		46,426		30,038	
Investment income received		19,254		16,954	
<b>Net cash used in investing activities</b>			(75,932)		(9,707)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			206,797		403,196
Cash and cash equivalents at beginning of year			1,603,071		1,199,875
<b>Cash and cash equivalents at end of year</b>			1,809,868		1,603,071
<b>Relating to:</b>					
Cash at bank and in hand			1,612,712		1,406,575
Short term deposits included in current asset investments			197,156		196,496

# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

##### Charity information

Cheshire Residential Homes Trust is a Charity registered with the Charity Commission in England & Wales (1190162). The principle address is Sandiway Manor, Norley Road, Sandiway, Northwich, CW8 2JW.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

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

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

#### 1.2 Going concern

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

#### 1.3 Charitable funds

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the Charity's charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a specific fund for a specific purpose.

Restricted funds are funds that are to be used in accordance with the specific restrictions imposed by the donor.

Endowed funds are funds used for a specific purpose or purposes of the Charity. The Trustees have been advised by Brabners LLP, solicitors, that they consider the freehold and buildings to be permanent endowment, being functional land and buildings to be held in perpetuity by the Charity. Accordingly, in these Financial Statements the freehold land and buildings have been treated as permanent endowment.

#### 1.4 Income

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

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. Donations subject to specific wishes of the donors are carried to relevant restricted funds. Donations receivable for the general purposes of the Charity are credited to unrestricted funds.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event of the legacy gift being in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition would be subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset being transferred to the Charity.

Interest on investments and on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**1 Accounting policies**

**(Continued)**

Dividends from listed companies are recognised once the dividend has been declared and notification has been received of the dividend due.

**1.5 Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on the accrual basis.

All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings. VAT is included with the item of expense to which it relates.

Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving public accountability of the Charity and its compliance with regulation and good practice. These costs include related statutory audit fees together with apportionments of overhead and support costs.

**1.6 Tangible fixed assets**

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

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

Freehold land and buildings	not depreciated
Plant, Equipment & Furnishings	at varying rates on cost and reducing balance
Motor vehicles	25% reducing balance

No provision is made for depreciation in respect of freehold properties. This policy has been adopted because the value of these assets is maintained by the Charity's continued programme of property maintenance and improvements; consequently, any element of depreciation would, in the opinion of the Trustees, be immaterial. Furthermore, the Trustees carry out an annual impairment review.

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

**1.7 Fixed asset investments**

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

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

The main form of 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 other investments.

**1.8 Impairment of fixed assets**

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

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**1 Accounting policies** **(Continued)**

**1.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.10 Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**1.11 Employee benefits**

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

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

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

**1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**2 Critical accounting estimates and judgements**

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

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

**Critical judgements**

**Property valuations**

Both freehold land and buildings are held at revalued amounts based on professional valuations. Actual value may differ to estimated value which could result in under or over statement of asset value.

**Determining residual values and useful economic lives of plant and equipment**

The Trust depreciates tangible assets over their estimated useful lives based on historic performance. The actual lives can vary. Judgement is applied also in the residual values of plant and equipment. When determining the residual value the directors aim to assess the amount that the asset would currently obtain if the asset were disposed using market prices where possible.

**3 Donations and legacies**

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	1,072	625

**4 Charitable activities**

	Sandiway Manor	Trepassey	Upton Grange	Total	Sandiway Manor	Trepassey	Upton Grange	Total
	2023	2023	2023	2023	2022	2022	2022	2022
	£	£	£	£	£	£	£	£
Residential care	1,225,331	1,803,453	1,008,000	4,036,784	1,150,948	1,489,053	879,085	3,519,086

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**5 Investments**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Income from listed investments	18,691	16,938
Interest receivable	563	16
	<u>19,254</u>	<u>16,954</u>

**6 Other income**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net gain on disposal of tangible fixed assets	2,106	-
Coronavirus grants	9,396	167,115
Sundry income	2,139	256
	<u>13,641</u>	<u>167,371</u>

**7 Raising funds**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Investment management	3,828	4,253
	<u>3,828</u>	<u>4,253</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**8 Charitable activities**

	<b>Sandiway Manor 2023 £</b>	<b>Trepassey 2023 £</b>	<b>Upton Grange 2023 £</b>	<b>Trustees 2023 £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Staff costs	761,050	982,783	654,760	-	2,398,593	2,029,039
Depreciation and impairment	3,852	12,540	4,344	5,841	26,577	28,504
Agency fees	100,238	29,773	29,357	-	159,368	207,088
Catering and housekeeping	99,689	109,973	78,009	-	287,671	244,707
Rates and insurance	16,256	14,105	9,726	56,865	96,952	86,113
Heat and light	9,957	27,309	(4,460)	-	32,806	105,261
Maintenance	70,131	21,053	108,792	-	199,976	111,761
Legal and professional fees	-	-	-	-	-	840
ICT leasing and support	10,714	19,487	16,639	43,242	90,082	64,375
Other expenditure	37,625	35,327	32,669	-	105,621	113,614
Bad and doubtful debts	24,673	19,589	6,951	-	51,213	-
	<u>1,134,185</u>	<u>1,271,939</u>	<u>936,787</u>	<u>105,948</u>	<u>3,448,859</u>	<u>2,991,302</u>
Share of support costs (see note 9)	-	-	-	159,256	159,256	132,620
Share of governance costs (see note 9)	-	-	-	70,337	70,337	63,533
	<u>1,134,185</u>	<u>1,271,939</u>	<u>936,787</u>	<u>335,541</u>	<u>3,678,452</u>	<u>3,187,455</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**8 Charitable activities**

**(Continued)**

For the year ended 31 March 2022

	Sandiway Manor £	Trepassey £	Upton Grange £	Trustees £	Total 2022 £
Staff costs	689,217	799,943	539,879	-	2,029,039
Depreciation and impairment	4,111	12,532	4,508	7,353	28,504
Agency fees	76,041	70,715	60,332	-	207,088
Catering and housekeeping	91,107	92,770	60,830	-	244,707
Rates and insurance	22,007	11,203	7,854	45,049	86,113
Heat and light	32,861	49,753	22,647	-	105,261
Maintenance	60,446	20,793	30,522	-	111,761
Legal and professional fees	-	-	840	-	840
ICT leasing and support	13,640	8,207	8,163	34,365	64,375
Other expenditure	32,048	52,873	28,693	-	113,614
	<u>1,021,478</u>	<u>1,118,789</u>	<u>764,268</u>	<u>86,767</u>	<u>2,991,302</u>
Share of support costs (see note 9)	-	-	-	132,620	132,620
Share of governance costs (see note 9)	-	-	-	63,533	63,533
	<u>1,021,478</u>	<u>1,118,789</u>	<u>764,268</u>	<u>282,920</u>	<u>3,187,455</u>

**9 Support costs**

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Staff costs	136,788	62,474	199,262	115,866	57,233	173,099
Other costs	5,229	-	5,229	3,505	-	3,505
Legal and professional fees	17,239	-	17,239	13,249	-	13,249
Audit fees	-	7,863	7,863	-	6,300	6,300
	<u>159,256</u>	<u>70,337</u>	<u>229,593</u>	<u>132,620</u>	<u>63,533</u>	<u>196,153</u>
Analysed between Charitable activities	<u>159,256</u>	<u>70,337</u>	<u>229,593</u>	<u>132,620</u>	<u>63,533</u>	<u>196,153</u>

Governance costs includes payments to the auditors of £4,320 (2022- £4,500) for audit fees and £1,380 (2022: £1,800) for non-audit fees.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**10 Trustees**

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year except for those transactions included in note 26.

**11 Employees**

The average monthly number of employees during the year was:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Provision of care and ancillary services	121	110
Management and administration	5	6
	<u>          </u>	<u>          </u>
Total	<u>126</u>	<u>116</u>

**Employment costs**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,406,264	2,032,491
Social security costs	141,639	129,291
Other pension costs	49,952	40,356
	<u>          </u>	<u>          </u>
	<u>2,597,855</u>	<u>2,202,138</u>

The Charity's key management personnel now comprise the Trustees and the Chief Executive Officer. The Chief Executive Officer is supported by the General Manager, the Home Managers and the Administration and Quality Manager who is also the Nominated Individual for CQC purposes. The total employment benefits of the Chief Executive Officer (R I MacGregor), including employer pension contributions, was £57,379 (2022 - £53,618).

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

**12 Net gains/(losses) on investments**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Gain/(loss) on sale of investments	(49,740)	8,041
	<u>          </u>	<u>          </u>

**13 Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**14 Tangible fixed assets**

	Freehold land and buildings	Plant, Motor vehicles Equipment & Furnishings	£	Total £
<b>Cost or valuation</b>				
At 1 April 2022	5,689,000	440,202	11,628	6,140,830
Additions	-	115,311	-	115,311
Disposals	-	-	(11,628)	(11,628)
At 31 March 2023	5,689,000	555,513	-	6,244,513
<b>Depreciation and impairment</b>				
At 1 April 2022	-	89,758	10,174	99,932
Depreciation charged in the year	-	26,367	210	26,577
Eliminated in respect of disposals	-	-	(10,384)	(10,384)
At 31 March 2023	-	116,125	-	116,125
<b>Carrying amount</b>				
At 31 March 2023	5,689,000	439,388	-	6,128,388
At 31 March 2022	5,689,000	350,444	1,454	6,040,898

The freehold land and buildings Sandiway Manor, Trepassey and Upton Grange were valued at 31 March 2020 by Allied Surveyors, Chester, on an open market value basis in accordance with the guidelines issued by the Royal Institute of Chartered Surveyors. At 31 March 2020 the freehold land and buildings were valued at £5,689,000. At 31 March 2020 the historical cost of the properties was £10,824,895.

The valuations at 31 March 2020 reflected improvements made to the properties over a period of time, but they did not take into account the cost of such improvements or the unique nature of the buildings, in particular the building at Trepassey which, in recent years, has been extensively extended and remodelled. Instead, the valuations were based upon the likely value of the properties assuming that the Homes were fully trading operational entities, but within the private sector, rather than the voluntary sector.

The Trustees consider that the value of the freehold properties as at 31 March 2023 have not changed materially since 31st March 2020.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**15 Fixed asset investments**

	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 April 2022	656,466
Additions	29,651
Valuation changes	(49,740)
Disposals	(46,426)
At 31 March 2023	<u>589,951</u>
<b>Carrying amount</b>	
At 31 March 2023	<u>589,951</u>
At 31 March 2022	<u>656,466</u>

	<b>2023 £</b>	<b>2022 £</b>
Investments at fair value comprise:		
COIF Charities Investment Fund	74,596	78,960
UK and overseas equities and specialist funds	423,798	469,662
Fixed interest securities	91,557	107,845
	<u>589,951</u>	<u>660,838</u>

All investments are carried at their fair value. Investments in equities, specialist and multi-asset funds and fixed interest securities are all quoted in public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at bid price. The basis of fair value for quoted investments is equivalent to market value, using the bid price. Asset sales and purchases are recognised at the date of trade at their transaction value.

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

Historic cost of investments is £469,068 (2022: £475,215).

**16 Debtors**

	<b>2023 £</b>	<b>2022 £</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	97,576	93,590
Other debtors	264,165	259,232
Prepayments and accrued income	12,055	6,474
	<u>373,796</u>	<u>359,296</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**16 Debtors**

**(Continued)**

Other debtors include £223,466 (2022: £223,466) due from The Jardine Charitable Trust Fund, in respect of a transfer in relation to compensation payable to Trepassey for the consequential loss arising as a result of the unavailability of a number of bedrooms in preparation for and during work in extending and remodelling that Home.

**17 Current asset investments**

	<b>2023</b>	<b>2022</b>
	£	£
Short term deposits	197,156	196,496
	<u>197,156</u>	<u>196,496</u>

**18 Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	£	£
Trade creditors	38,735	70,796
Other creditors	270,914	267,957
Accruals and deferred income	10,934	78,289
	<u>320,583</u>	<u>417,042</u>

Other creditors includes Trepassey – compensation for loss of income representing £223,466 (2022 - £223,466) an amount payable to Trepassey by The Jardine Charitable Trust Fund. This is in respect of compensation for the consequential loss arising as a result of the unavailability of a number of bedrooms in preparation for and during work in extending and remodelling the Home.

**19 Endowment funds**

Endowment funds represent assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	<b>Movement in funds</b>		<b>Movement in funds</b>		
	Balance at 1 April 2021	Incoming resources	Balance at 1 April 2022	Incoming resources	Balance at 31 March 2023
	£	£	£	£	£
<b>Permanent endowments</b>					
Freehold land and buildings	5,689,000	-	5,689,000	-	5,689,000
	<u>5,689,000</u>	<u>-</u>	<u>5,689,000</u>	<u>-</u>	<u>5,689,000</u>

The Permanent Endowment Fund represents the value of the freehold land and buildings, which are considered to be functional assets to be held by the Charity in perpetuity.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**20 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 April 2021	Income	Balance at 1 April 2022	Income	Balance at 31 March 2023
	£	£	£	£	£
Lady Becke Fund	1,932	-	1,932	-	1,932

The Lady Becke Fund relates to monies donated in memory of the late Lady Becke to provide nursing care to residents of the Homes, should the need arise.

The Jardine Charitable Trust Fund, which was created under the Will of Mr D J Jardine Deceased, was specifically for the purpose of improving and/or developing the facilities of Trepassey Care Home, Heswall, Wirral, being one of the three Homes owned by the Charity. At 31 March 2020 The Jardine Trust Fund was fully expended.

**21 Designated funds**

The income funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			Movement in funds		
	Balance at 1 April 2021	Incoming resources	Balance at 1 April 2022	Resources expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£	£
Maintenance reserve	22,641	-	22,641	(131,366)	335,000	226,275
	22,641	-	22,641	(131,366)	335,000	226,275

The Maintenance reserve represents funds set aside to meet the cost of future repairs to buildings at the three Homes.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**22 Analysis of net assets between funds**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Endowment funds 2023 £</b>	<b>Total Unrestricted funds 2023 £</b>	<b>Restricted funds 2022 £</b>	<b>Endowment funds 2022 £</b>	<b>Total 2022 £</b>
Fund balances at 31 March 2023 are represented by:							
Tangible assets	439,388	-	5,689,000	6,128,388	351,898	-	6,040,898
Investments	589,951	-	-	589,951	656,466	-	656,466
Current assets/(liabilities)	1,861,149	1,932	-	1,863,081	1,543,393	1,932	1,545,325
	<u>2,890,488</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,581,420</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,242,689</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**23 Operating lease commitments**

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

	<b>2023</b>	<b>2022</b>
	£	£
Within one year	2,922	10,842
Between two and five years	2,229	5,152
	<u>5,151</u>	<u>15,994</u>

**24 Capital commitments**

<b>2023</b>	<b>2022</b>
£	£

At 31 March 2023 the Charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	-	66,150
	<u>-</u>	<u>66,150</u>

**25 Events after the reporting date**

In September 2023 the charity committed to purchasing a plot of land for a sum of £900,000

**26 Related party transactions**

The Trustees all give freely their time and expertise without any form of remuneration or other benefits in cash or in kind.

Trustees' travelling and out-of-pocket expenses reimbursed during 2023 amounted to £Nil (2022 – Nil).

During the year the Trustees made a payment of £575 (2022 - £525) to Mrs C L Reeves, a member of the Board of Trustees, in respect of secretarial services; this payment was made on normal commercial terms.

**27 Cash generated from operations**

<b>2023</b>	<b>2022</b>
£	£

Net incoming resources	338,731	520,369
Adjustments for:		
Investment income recognised in statement of financial activities	(19,254)	(16,954)
Gain on disposal of tangible fixed assets	(2,106)	-
Loss/(gain) on disposal of investments	49,740	(8,041)
Depreciation and impairment of tangible fixed assets	26,577	28,504
Movements in working capital:		
(Increase) in debtors	(14,500)	(30,145)
(Decrease) in creditors	(96,459)	(80,830)
<b>Cash generated from operations</b>	<u>282,729</u>	<u>412,903</u>

**CHESHIRE RESIDENTIAL HOMES TRUST**

England & Wales - Charity number 1190162

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# Accounts

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Charity Registration No. 1190162

Company Registration No. 12571844 (England and Wales)

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES LEGAL AND ADMINISTRATIVE INFORMATION

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**Cheshire Residential Homes Trust - A company limited by guarantee.**

**Trustees** Mrs S M Cook  
Mr B Dutton (Appointed 1 February 2022)  
Mrs V Godfrey  
Mrs A J Marsh  
Mrs C L Reeves  
Mrs G Rushworth  
Mrs J Tetlow  
Mrs S Stallard

**Charity number** 1190162

**Company number** 12571844

**Principal address** Sandiway Manor  
Norley Road  
Sandiway  
Northwich  
Cheshire  
CW8 2JW

**Auditor** Xeinadin Audit Limited  
2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9QP

**Bankers** Natwest Bank plc  
1 Hardman Boulevard  
Manchester  
M3 3AQ

**Solicitors** Brabners LLP  
Horton House  
Exchange Flags  
Liverpool  
Merseyside  
L2 3YL  
  
Cullimore Dutton  
20 White Friars  
Chester  
Cheshire  
CH1 1XS

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**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
LEGAL AND ADMINISTRATIVE INFORMATION**

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**Investment advisors**

Castlefield Investments Limited  
1 Portland Street  
Manchester  
M1 3LA

**Linked Charities - The Cheshire Residential Homes Trust and The Jardine Trust**

**Trustee**

Cheshire Residential Homes Trust

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# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES CONTENTS

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Notes to the financial statements	14 - 28

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# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### ***FOR THE YEAR ENDED 31 MARCH 2022***

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The Trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's memorandum and articles, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

The purpose of the Charity is to provide residential care for elderly people living in Cheshire and Wirral and for the relatives of people who have lived in those areas for a number of years, and, for various reasons, find it impossible to stay in their own homes.

The Board's main objectives are:

- to ensure that residents continue to receive a high standard of care in a safe environment that has a friendly and homely atmosphere;
- to ensure that the standard of accommodation and facilities are maintained for the benefit of residents;
- to provide staff development and training so as to enhance their experience of working for the Charity and to ensure that they are able to provide residents with a high standard of care;
- to provide respite care for the benefit of elderly people in the local communities of Sandiway, Heswall and Macclesfield.

In setting their objectives and planning activities the Trustees have given careful consideration to the Charity Commissions' general guidance on public benefit and, in particular, to its supplementary guidance on fee-charging; the Trustees have also had regard to their commitment to:

- attracting residents from all backgrounds irrespective of financial means;
- safeguarding and promoting the welfare of residents and staff;
- providing a working environment that is free from discrimination on the grounds of race, colour, ethnicity, gender, sexual orientation, religion or disability.

The Charity owns three residential homes at:

<b>Sandiway Manor</b>	1 Norley Road, Sandiway, Northwich, Cheshire
<b>Trepassey</b>	Hillside Road, Heswall, Wirral, Merseyside
<b>Upton Grange</b>	214 Prestbury Road, Macclesfield, Cheshire

The Charity furthers its charitable purposes by providing comfortable surroundings for residents, irrespective of their financial means, where they can benefit from a safe and friendly environment and where their individual needs are met in full.

Each Home is set in its own grounds. Residents have separate rooms, with their own furniture if they wish, where they can entertain relatives and friends. In addition, each Home has a lounge and dining room and there are rooms for short-stay visitors and for any prospective resident who wishes to stay for a trial period.

Residents enjoy the privacy of their own rooms, where they can spend as much or as little time as they choose – apart from main meals which are usually taken with the other residents. Residents may go out at any time provided the Manager or her Deputy is informed. Residents may also participate in the full and varied activities offered by each Home.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### ***FOR THE YEAR ENDED 31 MARCH 2022***

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Residents pay fees towards the cost of running the Homes, such fees being assessed on the basis of their financial means; the balance of running costs is met from donations and legacies and from top-up fee payments by Local Authorities. During the year an average of 18% (2021 – 18.5%) of permanent residents were funded by Local Authorities.

In addition, we aim to provide fee subsidies for some of our residents; during 2021-22 subsidies totalled £199,272 (2020-21 £179,402) representing approximately 6% (2020-21 6%) of gross fees.

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

#### **Achievements and performance**

During the year there has been significant growth of the employees' skills and promotions into new departments for many employees.

The General Manager, previously Home Manager, will become Nominated Individual in order to introduce common standards of care and monitor them consistently in all three homes.

As line manager for the three registered managers the General Manager will also be able to ensure that standards are enforced and reviewed regularly. She will also carry out care audits in all 3 homes and will be assisted by the Administration and Quality Manager who will do standards audits in each home to ensure that all areas are managed and maintained to a brand standard.

The findings will be reviewed quarterly at senior management team meetings and action plans will be formulated and shared with the Trustees.

#### **Financial review**

The operating results for the year were pleasing with the Charity achieving an operating surplus for the year on unrestricted funds of £512,329 compared to £252,952 in 2021. The surplus continued to reflect the exceptional work all employees and Trustees of the Charity had put into ensuring the Homes remained viable during the 2nd year of the Covid 19 pandemic.

Trepassey had high occupancy throughout the year which contributed to its ongoing success. Being a new and modern facility helps Trepassey continue to achieve the highest surplus of the 3 homes. Sandiway and Upton Grange also maintained a healthy surplus with having a higher occupancy than the previous year.

During the year the Trust was supported by each Local Authority with grants towards direct help and provisions to continue to fight the ongoing battle with Covid-19. This helped cover extensive costs in regards to Infection Control and ongoing regular lateral flow testing of staff members and residents to ensure everyone within the homes was protected as much as possible.

The Trust remains committed to its extensive maintenance programme that started in 2021 and continues throughout 2022 and beyond, to ensure facilities provided to residents are fit for purpose and high quality.

#### **Reserves Policy**

The Trustees have established a policy whereby unrestricted reserves not committed or invested in fixed assets or investments held by the Charity should be in the region of four months' expenditure, which equates to approximately £1,144,500. At this level the Trustees feel that they would be able to continue the current activities of the Charity if there were to be a significant fall in income as a result of the coronavirus pandemic or for any other reason. At 31 March 2022 the free reserves of the Charity were £1,545,325 (2021 - £1,029,221) and therefore exceeded the required level of £1,144,500 (2021 – £1,041,000).

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022**

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## **Investment Policy and Performance**

The Trustees' investment powers are governed by the Trustees Act 2000.

The Trustees' long-term policy for the general portfolios is to maximise income while preserving the value of the investments. The Charity's general investments have continued to be managed in accordance with that policy. The day-to-day management of the general investment portfolios has been delegated to Castlefield Investments Limited who provide a discretionary investment management service.

The investment portfolios derive their income from the underlying investments held, typically company dividends, interest payments on bonds and rents from commercial properties. During the first 3 quarters of 2021-22 the trust gained on the investment portfolio significantly after the initial dip in the value of investments at the start of the pandemic. Unfortunately during the final quarter of the financial year, the majority of the investment gains were negated by a fall across all investment funds due to the ongoing situation affecting Ukraine and globally.

The Trust saw a realised investment gain of £1,688 (2021 - £2,385) and an unrealised gain of £6,353 (2021 - £123,171)

## **Risk Management**

The ongoing risk of Covid 19 was at the forefront of the care delivered to all residents throughout the year. All employees and management continued to ensure infection control and safe working practices were followed to maintain a safe environment for all residents within each home. All employees and residents within the Trust had been double vaccinated to help reduce the impact of Covid on our employees and residents.

The wellbeing and mental health of our staff remains a high priority for us as responsible and caring employers.

We provide an anonymous counselling service for all of our staff and their families that covers a comprehensive range of issues including mental health, debt management and many others.

Ongoing industry wide shortages for recruitment of employees within care is continuing to be managed by the senior management team and an extensive package of benefits had been created throughout the year to enable the Trust to successfully continue to recruit good quality care employees.

The new re-structured management team alongside the Trustees continue to work exceptionally hard to ensure any risks facing the Trust are minimised and dealt with adequately.

## **Plans for the future**

The success of the Trust over the past number of years and the continuing hard work to ensure surpluses continue to be made each year to aid the ongoing future of the Trust, has enabled the management and trustees to put in an extensive business plan over the next 5 years to ensure all properties are refurbished and made fit for purpose for a future cohort of residents.

Defibrillators have been installed outside the entrance to each Home and are available to the local community as well as for the benefit of our residents.

An extensive maintenance and refurbishment programme that has been agreed will look to refresh and refurbish all public areas at Sandiway and Upton Grange, ensuring a luxury and high standard of living for the residents at those homes, in line with the previous extensive refurbishment at Trepassey.

A review of our kitchen facilities is underway to ensure we have a good standard of appliances to enable high standards of food provided to all residents. Development plans were put in place for extending and providing well-lit car parking areas for the safety and convenience of visitors and staff.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022**

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## **Structure, governance and management**

### **Structure and Governing Document**

Cheshire Residential Homes Trust (the company) is a company limited by guarantee; it was incorporated on 24 April 2021. The company is registered with the Charity Commission under reference 1190162.

On 29 June 2020 the Charity Commission granted approval for a Scheme whereby the company replaced the individual trustees as the sole Trustee of the unincorporated charity The Cheshire Residential Homes Trust. The incorporated charity is referred to as Cheshire Residential Homes with legal and financial responsibilities continuing to lie with the original unincorporated charity The Cheshire Residential Homes Trust.

The unincorporated charity The Cheshire Residential Homes Trust is a registered charity. Its governing instruments are the original Trust Deed dated 1 April 1947 and the Charity Commission Scheme dated 5 April 1957, as amended.

Prior to 7 September 2020 the registered number of the unincorporated charity The Cheshire Residential Homes Trust was 218084; however, with effect from that date the Charity Commission linked it with the incorporated charity Cheshire Residential Homes Trust and its registration number changed to 1190162-1. The Linking Direction was for reporting purposes only; it did not change the separate legal status of the unincorporated and incorporated charities or the nature of restricted funds or endowments, and it does not constitute a merger.

The company has not traded during the period from 24 April 2020 (date of incorporation) to date and it has no assets or liabilities. Accordingly, this report and the financial statements for the accounting period ended 31 March 2022 relate solely to the activities of the unincorporated charity The Cheshire Residential Homes Trust.

### **Trustees**

Under a Charity Commission Scheme dated 3 August 2020 the incorporated charity Cheshire Residential Homes became the sole corporate trustee of The Cheshire Residential Homes Trust. Prior to 3 August 2020 individual Trustees were appointed by the Board of Trustees for a term of three years on the basis of nominations received.

### **Trustee Induction and Training**

New Trustees appointed to the Board of the incorporated charity are inducted into the workings of the unincorporated charity and the incorporated charity at a meeting with the Chairman. A Trustee Information pack is provided on appointment. The pack contains copies of the Trust Deed, together with other documents including "A Guide to being a Trustee of Cheshire Residential Homes Trust" and the Charity Commission publication "The Essential Trustee – What you need to know".

Individual Trustees were expected to attend external training courses that were relevant to their needs.

### **Reference and Administrative Information**

**President:** Mrs. J Bromley-Davenport

### **Trustees**

The Trustees who served during the financial year for the corporate trustee were as follows:

Mrs A Brough	(Resigned 19 July 2022)
Mrs S M Cook	
Mr B Dutton	(Appointed 1 February 2022)
Mrs V Godfrey	
Mrs A J Marsh	
Mrs C L Reeves	
Mrs G Rushworth	
Mrs J Tetlow	
Mrs S Stallard	

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Organisational Management**

The Trustees of the unincorporated charity met as a Board at least four times a year and, as Trustees of the incorporated charity, they will continue to meet at that same frequency to consider the general policy of the Charity and the management and control issues for which they are legally responsible. The Trustees also approve the annual budgets for each Home in addition to the Annual Report and Financial Statements.

The Trustees are responsible for deciding the strategic aims of the Charity and for its overall administration and they are assisted by the Chief Executive Officer who is responsible for the Charity's operations and the day-to-day management of the three Homes. The Chief Executive is supported by the General Manager, Estates Manager, Home Managers, the Financial Controller and the Administration and Quality Manager.

An Audit and Risk Management Committee is responsible for ensuring there is a framework of accountability in place within the Charity it is also responsible for examining and reviewing systems and methods of control, both financial and otherwise, including risk analysis and management; and for ensuring that the charity is complying with all aspects of law, relevant regulations and good practice. The Audit and Risk Management Committee, which meets at least twice a year, consists of three Trustees, the Chief Executive Officer, the Financial Controller and the Administration and Quality Manager.

**Organisational Structure and Relationships**

The Charity is a member of the National Care Association, which represents care providers in the UK. The Charity also benefits from close support from charities and friends associated with the three Homes. The financial and other support from those organisations and volunteers from within the local communities is greatly appreciated and gladly acknowledged.

**Key Management Personnel**

The Trustees consider the Board of Trustees and the Chief Executive Officer as being key management personnel responsible for directing and controlling the operations of the Charity. These individuals are supported by the Home Managers, the Financial Controller and the Administration and Quality Manager, who is also the Nominated Individual for CQC purposes.

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and other transactions with Trustees are disclosed in Note 14 to the accounts.

The salaries of the Chief Executive Officer, the Home Managers, the Financial Controller and the Administration Manager are reviewed annually and usually rise in line with increases in average earnings

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Statement of Trustees' responsibilities**

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

The law applicable to charities in England and Wales requires the Charity's Trustees to prepare financial statements each year which give a true and fair view of the state of affairs of the Charity and the incoming resources and application of resources of the Charity for that period

In preparing the financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- 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, the financial position of the Charity at any time, and to enable them as Trustees to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust Deed. The Trustees are also responsible for safeguarding the Charity's assets and taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

The Trustees are also responsible for the maintenance and integrity of the Charity and any financial information on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

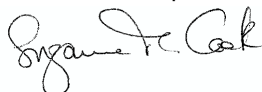
**Auditor**

Xeinadin Audit Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

**Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Mrs S M Cook  
**Trustee**

28 November 2022

# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHESHIRE RESIDENTIAL HOMES TRUST

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## Opinion

We have audited the financial statements of Cheshire Residential Homes Trust (the 'Charity') which includes the linked charities for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 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 Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHESHIRE RESIDENTIAL HOMES TRUST**

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## **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 directors' report included within the Trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

## **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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

Enquiries of management and those charged with governance were held in order to identify any laws and regulations that could be expected to have a material impact on the financial statements. Throughout the audit, the team were updated with the outcomes of these enquiries including consideration as to where and how fraud may occur in the Charity.

The audit procedures undertaken to address any potential risk in relation to irregularities (which include fraud and non-compliance with laws and regulations) included: enquiries of management and those charged with governance on how the Charity complies with relevant laws, regulations and any cases of actual or potential litigation or claims; examination of appropriate legal correspondence; review of board minutes; testing of journal entries for appropriateness; and analytical procedures on account balances to identify variances against expectation which may show indications of fraud.

No instances of material non-compliance were identified, although the prospect of detecting irregularities, including fraud, is inherently difficult. This is due to; difficulty in detecting irregularities; limits imposed by the effectiveness of the entity's controls; and the nature, timing and extent of the audit procedures performed. Irregularities as a result of fraud are inherently more difficult to detect than those that resulting from error. Despite this, the audit being planned and performed in accordance with ISAs (UK), there is an unavoidable risk that material misstatements may not be detected.

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

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF CHESHIRE RESIDENTIAL HOMES TRUST**

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**Use of our report**

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



**Michael Caputo FCA (Senior Statutory Auditor)  
for and on behalf of Xeinadin Audit Limited**

28 November 2022

**Chartered Accountants  
Statutory Auditor**

2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9QP

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2022**

**Current financial year**

		<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Endowment funds 2022 £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
	<b>Notes</b>					
<b><u>Income and endowments from:</u></b>						
Donations and legacies	<b>3</b>	625	-	-	625	3,766
Charitable activities	<b>4</b>	3,519,086	-	-	3,519,086	3,204,370
Investments	<b>5</b>	16,954	-	-	16,954	15,383
Other income	<b>6</b>	167,371	-	-	167,371	189,468
<b>Total income</b>		<u>3,704,036</u>	<u>-</u>	<u>-</u>	<u>3,704,036</u>	<u>3,412,987</u>
<b><u>Expenditure on:</u></b>						
Raising funds	<b>7</b>	4,253	-	-	4,253	3,869
Charitable activities	<b>8</b>	3,187,455	-	-	3,187,455	3,156,166
<b>Total resources expended</b>		<u>3,191,708</u>	<u>-</u>	<u>-</u>	<u>3,191,708</u>	<u>3,160,035</u>
Operating surplus		512,328	-	-	512,328	252,952
Net gains/(losses) on investments	<b>12</b>	8,041	-	-	8,041	125,556
<b>Net movement in funds</b>		<u>520,369</u>	<u>-</u>	<u>-</u>	<u>520,369</u>	<u>378,508</u>
Fund balances at 1 April 2021		<u>2,031,388</u>	<u>1,932</u>	<u>5,689,000</u>	<u>7,722,320</u>	<u>7,343,812</u>
<b>Fund balances at 31 March 2022</b>		<u><u>2,551,757</u></u>	<u><u>1,932</u></u>	<u><u>5,689,000</u></u>	<u><u>8,242,689</u></u>	<u><u>7,722,320</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

Prior financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	3,766	-	-	3,766
Charitable activities	4	3,204,370	-	-	3,204,370
Investments	5	15,383	-	-	15,383
Other income	6	189,468	-	-	189,468
<b>Total income</b>		<b>3,412,987</b>	<b>-</b>	<b>-</b>	<b>3,412,987</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	3,869	-	-	3,869
Charitable activities	8	3,156,166	-	-	3,156,166
<b>Total resources expended</b>		<b>3,160,035</b>	<b>-</b>	<b>-</b>	<b>3,160,035</b>
Operating surplus		252,952	-	-	252,952
Net gains/(losses) on investments	12	125,556	-	-	125,556
<b>Net movement in funds</b>		<b>378,508</b>	<b>-</b>	<b>-</b>	<b>378,508</b>
Fund balances at 1 April 2020		1,652,880	1,932	5,689,000	7,343,812
<b>Fund balances at 31 March 2021</b>		<b>2,031,388</b>	<b>1,932</b>	<b>5,689,000</b>	<b>7,722,320</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
BALANCE SHEET**

**AS AT 31 MARCH 2022**

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		6,040,898		6,030,329
Investments	14		656,466		660,838
			<u>6,697,364</u>		<u>6,691,167</u>
<b>Current assets</b>					
Debtors	15	359,296		329,151	
Investments	16	196,496		272,089	
Cash at bank and in hand		1,406,575		927,786	
		<u>1,962,367</u>		<u>1,529,026</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(417,042)</u>		<u>(497,873)</u>	
Net current assets			<u>1,545,325</u>		<u>1,031,153</u>
<b>Total assets less current liabilities</b>			<u>8,242,689</u>		<u>7,722,320</u>
<b>Capital funds</b>					
Endowment funds - general	18		5,689,000		5,689,000
<b>Income funds</b>					
Restricted funds	19		1,932		1,932
<u>Unrestricted funds</u>					
Designated funds	20	22,641		22,641	
General unrestricted funds		2,529,116		2,008,747	
			<u>2,551,757</u>		<u>2,031,388</u>
			<u>8,242,689</u>		<u>7,722,320</u>

The financial statements were approved by the Trustees on 28 November 2022



Mrs S M Cook

**Company Registration No. 12571844**

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022		2021	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25		412,903		227,755
<b>Investing activities</b>					
Purchase of tangible fixed assets		(39,073)		(15,906)	
Purchase of investments		(17,626)		(156,503)	
Proceeds from disposal of investments		30,038		148,267	
Investment income received		16,954		15,383	
<b>Net cash used in investing activities</b>			(9,707)		(8,759)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			403,196		218,996
Cash and cash equivalents at beginning of year			1,199,875		980,879
<b>Cash and cash equivalents at end of year</b>			1,603,071		1,199,875
<b>Relating to:</b>					
Cash at bank and in hand			1,406,575		927,786
Short term deposits included in current asset investments			196,496		272,089

# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### Charity information

Cheshire Residential Homes Trust is a Charity registered with the Charity Commission in England & Wales (1190162). The principle address is Sandiway Manor, Norley Road, Sandiway, Northwich, CW8 2JW.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

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

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

#### 1.2 Going concern

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

#### 1.3 Charitable funds

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the Charity's charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a specific fund for a specific purpose.

Restricted funds are funds that are to be used in accordance with the specific restrictions imposed by the donor.

Endowed funds are funds used for a specific purpose or purposes of the Charity. The Trustees have been advised by Brabners LLP, solicitors, that they consider the freehold and buildings to be permanent endowment, being functional land and buildings to be held in perpetuity by the Charity. Accordingly, in these Financial Statements the freehold land and buildings have been treated as permanent endowment.

#### 1.4 Income

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

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. Donations subject to specific wishes of the donors are carried to relevant restricted funds. Donations receivable for the general purposes of the Charity are credited to unrestricted funds.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event of the legacy gift being in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition would be subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset being transferred to the Charity.

Interest on investments and on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**1 Accounting policies**

**(Continued)**

Dividends from listed companies are recognised once the dividend has been declared and notification has been received of the dividend due.

**1.5 Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on the accrual basis.

All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings. VAT is included with the item of expense to which it relates.

Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving public accountability of the Charity and its compliance with regulation and good practice. These costs include related statutory audit fees together with apportionments of overhead and support costs.

**1.6 Tangible fixed assets**

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

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

Freehold land and buildings	not depreciated
Plant and equipment	at varying rates on cost and reducing balance
Motor vehicles	25% reducing balance

No provision is made for depreciation in respect of freehold properties. This policy has been adopted because the value of these assets is maintained by the Charity's continued programme of property maintenance and improvements; consequently, any element of depreciation would, in the opinion of the Trustees, be immaterial. Furthermore, the Trustees carry out an annual impairment review.

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

**1.7 Fixed asset investments**

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

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

The main form of 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 other investments.

**1.8 Impairment of fixed assets**

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

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**1 Accounting policies** **(Continued)**

**1.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.10 Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**1.11 Employee benefits**

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

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

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

**1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**2 Critical accounting estimates and judgements**

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

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

**Critical judgements**

**Property valuations**

Both freehold land and buildings are held at revalued amounts based on professional valuations. Actual value may differ to estimated value which could result in under or over statement of asset value.

**Determining residual values and useful economic lives of plant and equipment**

The Trust depreciates tangible assets over their estimated useful lives based on historic performance. The actual lives can vary. Judgement is applied also in the residual values of plant and equipment. When determining the residual value the directors aim to assess the amount that the asset would currently obtain if the asset were disposed using market prices where possible.

**3 Donations and legacies**

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2022</b>	2021
	£	£
Donations and gifts	625	3,766

**4 Charitable activities**

	<b>Sandiway Manor</b>	<b>Trepassey</b>	<b>Upton Grange</b>	<b>Total</b>	<b>Sandiway Manor</b>	<b>Trepassey</b>	<b>Upton Grange</b>	<b>Total</b>
	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	£	£	£	£	£	£	£	£
Residential care	1,150,948	1,489,053	879,085	3,519,086	1,075,160	1,346,744	782,466	3,204,370

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
*FOR THE YEAR ENDED 31 MARCH 2022*

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**5 Investments**

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2022</b>	2021
	£	£
Income from listed investments	16,938	15,264
Interest receivable	16	119
	<u>16,954</u>	<u>15,383</u>

**6 Other income**

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2022</b>	2021
	£	£
Coronavirus grants	167,115	188,632
Sundry income	256	836
	<u>167,371</u>	<u>189,468</u>

**7 Raising funds**

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2022</b>	2021
	£	£
Investment management	4,253	3,869
	<u>4,253</u>	<u>3,869</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**8 Charitable activities**

	<b>Sandiway Manor 2022 £</b>	<b>Trepassey 2022 £</b>	<b>Upton Grange 2022 £</b>	<b>Trustees 2022 £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Staff costs	689,217	799,943	539,879	-	2,029,039	2,034,366
Depreciation and impairment	4,111	12,532	4,508	7,353	28,504	23,256
Agency fees	76,041	70,715	60,332	-	207,088	191,812
Catering and housekeeping	91,107	92,770	60,830	-	244,707	227,566
Rates and insurance	22,007	11,203	7,854	45,049	86,113	76,231
Heat and light	32,861	49,753	22,647	-	105,261	103,704
Maintenance	60,446	20,793	30,522	-	111,761	70,677
Legal and professional fees	-	-	840	-	840	3,088
ICT leasing and support	13,640	8,207	8,163	34,365	64,375	62,380
Other expenditure	32,048	52,873	28,693	-	113,614	144,641
	<u>1,021,478</u>	<u>1,118,789</u>	<u>764,268</u>	<u>86,767</u>	<u>2,991,302</u>	<u>2,937,721</u>
Share of support costs (see note 9)	-	-	-	132,620	132,620	163,799
Share of governance costs (see note 9)	-	-	-	63,533	63,533	54,646
	<u><u>1,021,478</u></u>	<u><u>1,118,789</u></u>	<u><u>764,268</u></u>	<u><u>282,920</u></u>	<u><u>3,187,455</u></u>	<u><u>3,156,166</u></u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**8 Charitable activities**

**(Continued)**

For the year ended 31 March 2021

	<b>Sandiway Manor</b>	<b>Trepassey</b>	<b>Upton Grange</b>	<b>Trustees</b>	<b>Total 2021</b>
	£	£	£	£	£
Staff costs	677,684	802,478	554,204	-	2,034,366
Depreciation and impairment	3,528	12,240	4,140	3,348	23,256
Agency fees	89,560	87,781	14,471	-	191,812
Catering and housekeeping	84,718	78,543	64,305	-	227,566
Rates and insurance	14,360	23,598	7,508	30,765	76,231
Heat and light	28,083	52,940	22,681	-	103,704
Maintenance	23,440	24,174	23,063	-	70,677
Legal and professional fees	1,800	-	1,288	-	3,088
ICT leasing and support	10,111	12,506	11,127	28,636	62,380
Other expenditure	46,286	62,628	35,727	-	144,641
	<u>979,570</u>	<u>1,156,888</u>	<u>738,514</u>	<u>62,749</u>	<u>2,937,721</u>
Share of support costs (see note 9)	-	-	-	163,799	163,799
Share of governance costs (see note 9)	-	-	-	54,646	54,646
	<u>979,570</u>	<u>1,156,888</u>	<u>738,514</u>	<u>281,194</u>	<u>3,156,166</u>
<b>Analysis by fund</b>					
Unrestricted funds	<u>979,570</u>	<u>1,156,888</u>	<u>738,514</u>	<u>281,194</u>	<u>3,156,166</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**9 Support costs**

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	115,866	57,233	173,099	124,648	48,362	173,010
Other costs	3,505	-	3,505	7,491	-	7,491
Legal and professional fees	13,249	-	13,249	31,660	-	31,660
Audit fees	-	6,300	6,300	-	5,104	5,104
Trustees indemnity insurance	-	-	-	-	1,180	1,180
	<u>132,620</u>	<u>63,533</u>	<u>196,153</u>	<u>163,799</u>	<u>54,646</u>	<u>218,445</u>
Analysed between Charitable activities	<u>132,620</u>	<u>63,533</u>	<u>196,153</u>	<u>163,799</u>	<u>54,646</u>	<u>218,445</u>

Governance costs includes payments to the auditors of £4,500 (2021- £3,000) for audit fees and £1,800 (2021: £2,104) for non-audit fees.

**10 Trustees**

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

**11 Employees**

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Provision of care and ancillary services	110	117
Management and administration	6	6
Total	<u>116</u>	<u>123</u>
<b>Employment costs</b>	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	2,010,547	2,037,729
Social security costs	141,639	129,291
Other pension costs	49,952	40,356
	<u>2,202,138</u>	<u>2,207,376</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**11 Employees**

**(Continued)**

The Trustees all give freely their time and expertise without any form of remuneration or other benefits in kind (2021 - £nil).

The Charity's key management personnel now comprise the Trustees and the Chief Executive Officer. The Chief Executive Officer is supported by the General Manager, the Home Managers and the Administration and Quality Manager who is also the Nominated Individual for CQC purposes. The total employment benefits of the Chief Executive Officer (R I MacGregor), including employer pension contributions, was £53,618.54 (2021 - £49,699).

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

**12 Net gains/(losses) on investments**

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2022</b>	2021
	£	£
Gain/(loss) on sale of investments	8,041	125,556

**13 Tangible fixed assets**

	<b>Freehold land and buildings</b>	<b>Plant and Motor vehicles equipment</b>	<b>Total</b>
	£	£	£
<b>Cost or valuation</b>			
At 1 April 2021	5,689,000	424,058	6,124,686
Additions	-	39,073	39,073
Disposals	-	(22,929)	(22,929)
At 31 March 2022	5,689,000	440,202	6,140,830
<b>Depreciation and impairment</b>			
At 1 April 2021	-	84,663	94,357
Depreciation charged in the year	-	28,024	28,504
Eliminated in respect of disposals	-	(22,929)	(22,929)
At 31 March 2022	-	89,758	99,932
<b>Carrying amount</b>			
At 31 March 2022	5,689,000	350,444	6,040,898
At 31 March 2021	5,689,000	339,395	6,030,329

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**13 Tangible fixed assets**

**(Continued)**

The freehold land and buildings Sandiway Manor, Trepassey and Upton Grange were valued at 31 March 2020 by Allied Surveyors, Chester, on an open market value basis in accordance with the guidelines issued by the Royal Institute of Chartered Surveyors. At 31 March 2020 the freehold land and buildings were valued at £5,689,000. At 31 March 2020 the historical cost of the properties was £10,824,895.

The valuations at 31 March 2020 reflected improvements made to the properties over a period of time, but they did not take into account the cost of such improvements or the unique nature of the buildings, in particular the building at Trepassey which, in recent years, has been extensively extended and remodelled. Instead, the valuations were based upon the likely value of the properties assuming that the Homes were fully trading operational entities, but within the private sector, rather than the voluntary sector.

The Trustees consider that the value of the freehold properties as at 31 March 2022 have not changed materially since 31st March 2020.

**14 Fixed asset investments**

	<b>Listed investments £</b>		
<b>Cost or valuation</b>			
At 1 April 2021	660,838		
Additions	17,626		
Valuation changes	8,040		
Disposals	(30,038)		
	<hr/>		
At 31 March 2022	656,466		
	<hr/>		
<b>Carrying amount</b>			
At 31 March 2022	656,466		
	<hr/> <hr/>		
At 31 March 2021	660,838		
	<hr/> <hr/>		
		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
Investments at fair value comprise:			
COIF Charities Investment Fund		78,960	71,699
UK and overseas equities and specialist funds		469,662	482,926
Fixed interest securities		107,845	106,213
		<hr/>	<hr/>
		656,467	660,838
		<hr/> <hr/>	<hr/> <hr/>

All investments are carried at their fair value. Investments in equities, specialist and multi-asset funds and fixed interest securities are all quoted in public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at bid price. The basis of fair value for quoted investments is equivalent to market value, using the bid price. Asset sales and purchases are recognised at the date of trade at their transaction value.

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

Historic cost of investments is £475,215 (2021: £495,454).

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

<b>15 Debtors</b>	<b>2022</b>	<b>2021</b>
<b>Amounts falling due within one year:</b>	<b>£</b>	<b>£</b>
Trade debtors	93,590	65,505
Other debtors	259,232	259,232
Prepayments and accrued income	6,474	4,414
	<u>359,296</u>	<u>329,151</u>

Other debtors include £223,466 (2021: £223,466) due from The Jardine Charitable Trust Fund, in respect of a transfer in relation to compensation payable to Trepassey for the consequential loss arising as a result of the unavailability of a number of bedrooms in preparation for and during work in extending and remodelling that Home.

<b>16 Current asset investments</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Short term deposits	196,496	272,089
	<u>196,496</u>	<u>272,089</u>

<b>17 Creditors: amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	70,796	37,142
Other creditors	267,957	370,717
Accruals and deferred income	78,289	90,014
	<u>417,042</u>	<u>497,873</u>

Other creditors includes Trepassey – compensation for loss of income representing £223,466 (2021 - £223,466) an amount payable to Trepassey by The Jardine Charitable Trust Fund. This is in respect of compensation for the consequential loss arising as a result of the unavailability of a number of bedrooms in preparation for and during work in extending and remodelling the Home.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**18 Endowment funds**

Endowment funds represent assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Movement in funds		Movement in funds		
	Balance at 1 April 2020	Incoming resources	Balance at 1 April 2021	Incoming resources	Balance at 31 March 2022
	£	£	£	£	£
<b>Permanent endowments</b>					
Freehold land and buildings	5,689,000	-	5,689,000	-	5,689,000
	<u>5,689,000</u>	<u>-</u>	<u>5,689,000</u>	<u>-</u>	<u>5,689,000</u>

The Permanent Endowment Fund represents the value of the freehold land and buildings, which are considered to be functional assets to be held by the Charity in perpetuity.

**19 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 April 2020	Income	Balance at 1 April 2021	Income	Balance at 31 March 2022
	£	£	£	£	£
Lady Becke Fund	1,932	-	1,932	-	1,932
	<u>1,932</u>	<u>-</u>	<u>1,932</u>	<u>-</u>	<u>1,932</u>

The Lady Becke Fund relates to monies donated in memory of the late Lady Becke to provide nursing care to residents of the Homes, should the need arise.

The Jardine Charitable Trust Fund, which was created under the Will of Mr D J Jardine Deceased, was specifically for the purpose of improving and/or developing the facilities of Trepassey Care Home, Heswall, Wirral, being one of the three Homes owned by the Charity. At 31 March 2020 The Jardine Trust Fund was fully expended.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**20 Designated funds**

The income funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	<b>Movement in funds</b>		<b>Movement in funds</b>		
	<b>Balance at 1 April 2020</b>	<b>Incoming resources</b>	<b>Balance at 1 April 2021</b>	<b>Incoming resources</b>	<b>Balance at 31 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Maintenance reserve	22,641	-	22,641	-	22,641
	<u>22,641</u>	<u>-</u>	<u>22,641</u>	<u>-</u>	<u>22,641</u>
	<u><u>22,641</u></u>	<u><u>-</u></u>	<u><u>22,641</u></u>	<u><u>-</u></u>	<u><u>22,641</u></u>

The Maintenance reserve represents funds set aside to meet the cost of future repairs to buildings at the three Homes. There were no movements during the year.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**21 Analysis of net assets between funds**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Endowment funds 2022 £</b>	<b>Total 2022 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Endowment funds 2021 £</b>	<b>Total 2021 £</b>
Fund balances at 31 March 2022 are represented by:								
Tangible assets	351,898	-	5,689,000	6,040,898	341,329	-	5,689,000	6,030,329
Investments	656,466	-	-	656,466	660,838	-	-	660,838
Current assets/(liabilities)	1,543,393	1,932	-	1,545,325	1,029,221	1,932	-	1,031,153
	<u>2,551,757</u>	<u>1,932</u>	<u>5,689,000</u>	<u>8,242,689</u>	<u>2,031,388</u>	<u>1,932</u>	<u>5,689,000</u>	<u>7,722,320</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**22 Operating lease commitments**

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

	<b>2022</b>	<b>2021</b>
	£	£
Within one year	10,842	15,331
Between two and five years	5,152	10,553
	<u>15,994</u>	<u>25,884</u>

**23 Capital commitments**

<b>2022</b>	<b>2021</b>
£	£

At 31 March 2022 the Charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	<u>66,150</u>	<u>36,150</u>
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**24 Related party transactions**

The Trustees all give freely their time and expertise without any form of remuneration or other benefits in cash or in kind.

Trustees' travelling and out-of-pocket expenses reimbursed during 2022 amounted to £Nil (2021 – Nil).

During the year the Trustees made a payment of £525 (2021 - £525) to Mrs C L Reeves, a member of the Board of Trustees, in respect of secretarial services; this payment was made on normal commercial terms.

**25 Cash generated from operations**

<b>2022</b>	<b>2021</b>
£	£

Net incoming resources	520,369	378,508
Adjustments for:		
Investment income recognised in statement of financial activities	(16,954)	(15,383)
Gain on disposal of investments	(8,041)	(125,556)
Depreciation and impairment of tangible fixed assets	28,504	23,256
Movements in working capital:		
(Increase) in debtors	(30,145)	(6,985)
(Decrease) in creditors	(80,830)	(26,085)
<b>Cash generated from operations</b>	<u>412,903</u>	<u>227,755</u>

**CHESHIRE RESIDENTIAL HOMES TRUST**

England & Wales - Charity number 1190162

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# Accounts

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Charity Registration No. 1190162

Company Registration No. 12571844 (England and Wales)

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2021**

# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Cheshire Residential Homes Trust - A company limited by guarantee.**

<b>Trustees</b>	Mrs A Brough Mrs S M Cook Mrs V Godfrey Mrs A J Marsh Mrs C L Reeves Mrs G Rushworth Mrs S Stallard Mrs J Tetlow	(Appointed 24 April 2020) (Appointed 24 April 2020) (Appointed 24 April 2020) (Appointed 24 April 2020) (Appointed 24 April 2020) (Appointed 24 April 2020) (Appointed 24 April 2020) (Appointed 24 April 2020)
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**Charity number** 1190162

**Company number** 12571844

**Principal address** Sandiway Manor  
Norley Road  
Sandiway  
Northwich  
Cheshire  
CW8 2JW

**Registered office** Sandiway Manor  
Norley Road  
Sandiway  
Northwich  
Cheshire  
CW8 2JW

**Auditor** McLintocks (NW) Limited  
2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9PX

**Bankers** Natwest Bank plc  
1 Hardman Boulevard  
Manchester  
M3 3AQ

**Solicitors** Brabners LLP  
Horton House  
Exchange Flags  
Liverpool  
Merseyside  
L2 3YL

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# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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Cullimore Dutton  
20 White Friars  
Chester  
Cheshire  
CH1 1XS

### **Investment advisors**

Castlefield Investments Limited  
1 Portland Street  
Manchester  
M1 3LA

### **Linked Charities - The Cheshire Residential Homes Trust and The Jardine Trust**

#### **Trustee**

Cheshire Residential Homes Trust (Appointed 3 August 2020)

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# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE PERIOD ENDED 31 MARCH 2021**

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The Trustees present their report and financial statements for the period ended 31 March 2021.

## **Structure, governance and management**

Cheshire Residential Homes Trust (the company) is a company limited by guarantee; it was incorporated on 24 April 2020. The trustees received formal approval from the Charity Commission on 29 June 2020 for a scheme whereby this new Charity replaced the individual trustees as the sole Trustee of The Cheshire Residential Homes Trust. The incorporated charity will be referred to as Cheshire Residential Homes Trust, with legal and financial responsibilities continuing to lie with the original unincorporated charity, The Cheshire Residential Homes Trust (the charity).

The Trustees of Cheshire Residential Homes Trust, who are also the directors for the purpose of company law, and who served during the period and up to the date of signature of the financial statements were:

Mrs A Brough	(Appointed 24 April 2020)
Mrs S M Cook - (Chairman)	(Appointed 24 April 2020)
Mr C Davies	(Appointed 24 April 2020 and resigned 20 July 2021)
Ms M J Flint	(Appointed 24 April 2020 and resigned 20 August 2021)
Mrs V Godfrey	(Appointed 24 April 2020)
Mrs A J Marsh	(Appointed 24 April 2020)
Mrs C L Reeves	(Appointed 24 April 2020)
Mrs G Rushworth	(Appointed 24 April 2020)
Mrs P Speechly	(Appointed 24 April 2020 and resigned 28 July 2021)
Mrs S Stallard	(Appointed 24 April 2020)
Mrs J Tetlow	(Appointed 24 April 2020)
M Offer	(Appointed 24 April 2020 and resigned 24 April 2020)

The Cheshire Residential Homes Trust is a registered charity, number 1190162-1. Its governing instruments are the original Trust Deed dated 1 April 1947 and the Charity Commission Scheme dated 5 April 1957, as amended.

Prior to 7 September 2020 the registered number of the Charity was 218084; however, with effect from that date, the Charity Commission has linked the Charity with the incorporated charity Cheshire Residential Homes Trust, charity registration number 1190162. The Linking Direction is for reporting purposes only; it does not change the separate legal status of the charities, or the nature of restricted funds or endowment, and it does not constitute a merger.

The company, which has not traded during the period from 24 April 2020 (date of incorporation) to 31 March 2021, has no assets or liabilities. Accordingly the remainder of this report and the financial statements relates solely to the activities of the original unincorporated charity, The Cheshire Residential Homes Trust for its accounting period from 1 April 2020 to 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing documents, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1 January 2019)".

## **Objectives and activities**

The purpose of the Charity is to provide residential care for elderly people living in Cheshire and Wirral and for the relatives of people who have lived in those areas for a number of years, and, for various reasons, find it impossible to stay in their own homes.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE PERIOD ENDED 31 MARCH 2021**

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The Board's main objectives are:

- to ensure that residents continue to receive a high standard of care in a safe environment that has a friendly and homely atmosphere;
- to ensure that the standard of accommodation and facilities are maintained for the benefit of residents;
- to provide staff development and training so as to enhance their experience of working for the Charity and to ensure that they are able to provide residents with a high standard of care;
- to provide respite care for the benefit of elderly people in the local communities of Sandiway, Heswall and Macclesfield.

In setting their objectives and planning activities the Trustees have given careful consideration to the Charity Commissions' general guidance on public benefit and, in particular, to its supplementary guidance on fee-charging; the Trustees have also had regard to their commitment to:

- attracting residents from all backgrounds irrespective of financial means;
- safeguarding and promoting the welfare of residents and staff;
- providing a working environment that is free from discrimination on the grounds of race, colour, ethnicity, gender, sexual orientation, religion or disability.

The Charity owns three residential homes at:

<b>Sandiway Manor</b> -	1 Norley Road, Sandiway, Northwich, Cheshire
<b>Trepassey</b> -	Hillside Road, Heswall, Wirral, Merseyside
<b>Upton Grange</b> -	214 Prestbury Road, Macclesfield, Cheshire

The Charity furthers its charitable purposes by providing comfortable surroundings for residents, irrespective of their financial means, where they can benefit from a safe and friendly environment and where their individual needs are met in full.

Each Home is set in its own grounds. Residents have separate rooms, with their own furniture if they wish, where they can entertain relatives and friends. In addition, each Home has a lounge and dining room and there are rooms for short-stay visitors and for any prospective resident who wishes to stay for a trial period.

Residents enjoy the privacy of their own rooms, where they can spend as much or as little time as they choose – apart from main meals which are usually taken with the other residents. Residents may go out at any time provided the Manager or her Deputy is informed. Residents may also participate in the full and varied activities offered by each Home.

Residents pay fees towards the cost of running the Homes, such fees being assessed on the basis of their financial means; the balance of running costs is met from donations and legacies and from top-up fee payments by Local Authorities. During the year an average of 18.5% (2020 - 16%) of permanent residents were funded by Local Authorities.

In addition, we aim to provide fee subsidies for some of our residents; during 2020-21 subsidies totalled £179,402 (2019-20 £86,822) representing approximately 6% (2019-20 3%) of gross fees.

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

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE PERIOD ENDED 31 MARCH 2021**

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#### **Achievements and performance**

Early in the pandemic effective and robust measures were put in place in each of our three Homes to reduce the possibility of infection and, thanks to the efforts and diligence of all of our staff and agency workers, we are able to report that there has been only one Covid-19 related death within our Homes.

The Charity is registered with the Care Quality Commission (CQC) for the provision of care for older people. CQC has a programme of unannounced visits for the purpose of inspection, the last inspections having been:

May 2018	Trepassey	overall outcome "Good"
November 2018	Sandiway Manor	overall outcome "Good"
January 2020	Upton Grange	overall outcome "Requires Improvement"

We have received confirmation, during 2021, that CQC (after consulting with Local Authorities and other agencies) do not believe that further inspections are necessary at Sandiway Manor or Trepassey at this time.

Of the five areas inspected by CQC, Upton Grange required improvement in two of those areas, namely "Is the service safe?" and "Is the service well led?". Improvements were required in auditing and in paperwork. The full report is available on the CQC website. Action plans to rectify these areas were immediately prepared and implemented and will be reviewed at the next CQC inspection. A new Registered Manager was appointed towards the end of 2020 and some key staff changes have taken place.

A new role of General Manager has been created through internal promotion, who will work closely with the Nominated Individual and CEO to ensure common standards and audit procedures are applied across the three Homes.

The Trustees remain confident that, at all three Homes, the needs of our residents are fully met by the high standard of care provided by our staff, and that staff are being well supported by management, as indicated in the results of residents' and staff surveys.

#### **Financial review**

The operating results for the year were pleasing with the Charity achieving an operating surplus for the year on unrestricted funds of £252,952 compared to £184,598 in 2020.

The surplus reflects the hard work that the new Senior Management team and all the employees at CRH Trust has put into ensuring the Homes could continue to operate successfully and safely during Covid-19 and all involved are very pleased with the high surplus for the year when faced with one of the toughest outbreaks of virus in many years that could have severely affected our staff and residents.

Trepassey made a vast improvement in its financial position during 2020-21 after the previous years loss of £68,910, The Home managed to improve its occupancy through the year and also received a block booking upto the 30 September 2020 from the Local Authority for placement of residents temporarily. The surplus for the year at Trepassey totalled £173,097.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE PERIOD ENDED 31 MARCH 2021**

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Sandiway maintained a healthy surplus of £75,813 for the year (2020 - £115,515) and Upton Grange made a smaller surplus than previous years of £26,124 (2020 - £144,070) due to lower numbers of residents for the year and a slower uptake than normal of new residents joining us at Upton Grange due to Covid-19.

The schedule of works started in 2020-21 to address ongoing maintenance issues and improve all three buildings held by the Trust will continue over the next few financial years. The buildings were revalued in 2019 and will be revalued again in 5 years once the schedule of works is complete.

#### **Reserves Policy**

The Trustees have established a policy whereby unrestricted reserves not committed or invested in fixed assets or investments held by the Charity should be in the region of four months' expenditure, which equates to approximately £1,041,000. At this level the Trustees feel that they would be able to continue the current activities of the Charity if there were to be a significant fall in income as a result of the coronavirus pandemic or for any other reason. At 31 March 2021 the free reserves of the Charity were in the region of £1,006,952 significantly closing the gap to £34,048 (2020 – £287,000) between the funds held and those required.

It is expected during 2021-2022 the remaining funds required for the reserves will be met within the first 6 months and any remaining surplus can be focused back into investing in the Charity.

#### **Investment Policy and Performance**

The Trustees' investment powers are governed by the Trustees Act 2000.

The Trustees' long-term policy for the general portfolios is to maximise income while preserving the value of the investments. The Charity's general investments have continued to be managed in accordance with that policy. The day-to-day management of the general investment portfolios has been delegated to Castlefield Investments Limited who provide a discretionary investment management service.

The investment portfolios derive their income from the underlying investments held, typically company dividends, interest payments on bonds and rents from commercial properties. During 2019-20 we saw a significant fall in the investment portfolios due to the impending impact of Covid starting during the early part of 2020. Although we expected to continue to see continued falls in the investment profiles the investment field recovered well and overall the gains during 2020-21 were pleasing.

The Charity saw a realised investment gain of £2,385 (2020 £ -6807) and an unrealised gain of £123,171 (2020 £ -118,080).

#### **Risk Management**

A significant risk currently facing the Charity and the care sector in general is the impact of Covid-19. The high death rate sustained globally over the pandemic demonstrates the stark impact that Covid-19 has had both on care home residents and staff.

The legal requirement for all Residential Care Home staff to be double vaccinated by 11th November 2021 has created a potential crisis within the industry, worsening an already critical shortage of staff, but we are pleased to confirm that, in addition to 100% of our residents being double vaccinated, approximately 98% of our workforce has also been double vaccinated, thanks to the team spirit and supportive management style adopted in all of our Homes.

The wellbeing and mental health of our staff remains a high priority for us as responsible and caring employers. We have invested in the training of a senior employee as a Mental Health First Aider to provide support across our three Homes and review the needs and concerns of our colleagues at all levels, through anonymous staff surveys, the results of which are shared and discussed with the Trustees at their meetings.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE PERIOD ENDED 31 MARCH 2021**

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Throughout the pandemic steps have also been taken to ensure that our staff are adequately protected both through the provision of personal protective equipment (PPE) and by arrangements to reduce infection when travelling to and from work. Some members of staff did contract Covid-19 from outside the workplace and in each case they were required to self-isolate in accordance with Government guidelines.

Apart from Covid-19, another major risk faced by the Charity is the operational risk arising from ineffective management of the individual Homes, which could result in a significant failure to meet the service standards required by CQC for residential care homes. We have restructured our senior management team in order to ensure that there is a united, informed and effectively audited and reviewed approach to managing our business. In common with the rest of the Care Sector we face risks from shortage of staff, dependency on agency staff, gaps in Local Authority funding and competition from developing models of care.

#### **Plans for the Future**

We are continuing with our Brand Development Strategy, standardising as many aspects of our business as possible across the three Homes, without detracting from the unique character of each building.

We shall be putting a prioritised repairs and maintenance programme in place, utilising any trading surplus from the current financial year to upgrade the interior and exterior of our premises in order to make them more attractive and in keeping with the changing needs of our target market. The list of proposed works will be compiled by our Estates Manager and will be reviewed quarterly by our Senior Management Team, before being approved by our Trustees at quarterly Trustees meetings.

Common standards and disciplines have become established across all three Homes, with common job titles, pay bands and key competencies. Each category of staff has its own specific uniform so that they are readily identifiable from a distance and can also be identified from their photographs in the reception area at each Home.

We have adopted a policy of "Recruit, Train, Retain", which includes panel interviewing to a single standard with standardised, key competencies based interviews for each role. All staff will have a personal development plan, performance reviews and personal training programmes.

Whenever possible, we shall seek to promote internally to provide career progression and to develop people, in order to meet their career expectations and the changing needs of the business, within an industry that continues to be undervalued and under resourced. We are also seeking to take part in the Kickstart scheme, with the intention of placing two apprentices in each of our Homes.

Our aim will be to motivate, inspire, respect and recognise the achievements of our teams, encouraging creativity and innovation and supporting them through promoting mindfulness and wellbeing.

We have facilitated the training of a Mental Health Champion, who has an active involvement in all three of our Homes supporting a highly trained, motivated and loyal workforce who share our goal of providing Person Centred care, equality and respect for all, but who also continue to face the stresses and demands of a highly challenging workplace.

In order to establish our desired position within our local communities, we continue to work in association with other organisations and local businesses (such as Astra Zeneca, Barclays Bank, Active Cheshire and Grow Macclesfield) as well as local schools and churches, to provide facilities such as vegetable gardens and nature walks within our grounds for the benefit of our residents and their families, staff, local schoolchildren and the lonely and isolated within our community.

We are also fundraising actively to raise the money required to fund a minibus for the safe transportation of our residents as they return to regular interaction with the outside world. With support of our partners, such as the Hinton Trust, we are also raising funds to provide defibrillators outside each of our homes for the benefit of our residents and the local community.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE PERIOD ENDED 31 MARCH 2021**

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The ever growing demand for technology to provide high quality, effective tools in order to ensure that the highest level of care can be provided as well as internet connectivity for staff, residents and their families and other visitors, in addition to providing video consultations with doctors, staff training , remote meetings by Teams, telephone contact with home working /mobile staff and FaceTime contact with residents from all rooms, has been satisfied by investment in a fully hosted telephone system and enhanced internet connection. All office staff have been properly equipped for home / remote working and all mobile staff have now had their contracts amended to make them home based, in keeping with the changing , post pandemic working practices and preferences.

We continue to establish the community in each of our Homes as an active, integral part of the greater local community whilst also displaying a recognisable brand image and we shall achieve this goal through inclusive and consultative leadership. We shall become involved in industry competitions, develop in house awards and seek regular feedback on progress from staff via job satisfaction surveys and from residents' families, through regular anonymous online surveys We will encourage early engagement by reaching out to the lonely and underprivileged in our community with a view to including them in our activities, familiarising them with our services and facilitating care progression in keeping with their individual needs. We continue to provide consistently excellent care through happy, motivated, appreciated and skilled staff. All the above improvements will ensure high standards of care and improved quality of life for our residents.

**Structure, governance and management**

**Trustees**

Under a Charity Commission Scheme dated 3 August 2020 the incorporated charity Cheshire Residential Homes Trust became the sole corporate trustee of The Cheshire Residential Homes Trust. Prior to 3 August 2020 individual Trustees were appointed by the Board of Trustees for a term of three years on the basis of nominations received.

**Trustees induction and training**

New Trustees appointed to the Board of the incorporated charity are inducted into the workings of the unincorporated charity and the incorporated charity at a meeting with the Chairman. A Trustee Information pack is provided on appointment. The pack contains copies of the Trust Deed, together with other documents including "A Guide to being a Trustee of Cheshire Residential Homes Trust" and the Charity Commission publication "The Essential Trustee – What you need to know".

Individual Trustees were expected to attend external training courses that were relevant to their needs.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**Reference and Administrative Information**

**President:** Sir William Bromley-Davenport (Retired 22 October 2019)  
Mrs J Bromley-Davenport

**Chief Executive Officer** Mr R I MacGregor

**Trustees**

Under a Charity Commission Scheme dated 3 August 2020 the incorporated charity Cheshire Residential Homes Trust, charity number 1190162, was appointed as the sole Trustee of the Charity The Cheshire Residential Homes Trust. On the 24 April 2020 the serving Trustees, were appointed directors of the corporate trustee and subsequently retired from the charity on 3 August 2020.

The Trustees were served during the financial year and in the period between 1 April 2020 and 3 August 2020 were as follows:

Mrs A Brough  
Mrs S M Cook (Chairman)  
Mr C Davies Resigned 20/07/2021  
Ms M J Flint Resigned 20/08/2021  
Mrs V Godfrey  
Mrs A J Marsh  
Mrs C L Reeves  
Mrs G Rushworth  
Mrs P Speechly Resigned 28/07/2021  
Mrs S Stallard  
Mrs J Tetlow

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**Organisational Management**

The Trustees of the unincorporated charity met as a Board at least four times a year and, as trustees of the incorporated charity, they will continue to meet at that same frequency to consider the general policy of the Charity and the management and control issues for which they are legally responsible. The Trustees also approve the annual budgets for each Home in addition to the Annual Report and Financial Statements.

The Trustees are responsible for deciding the strategic aims of the Charity and for its overall administration and they are assisted by the Chief Executive Officer who is responsible for the Charity's operations and the day-to-day management of the three Homes. The Chief Executive is supported by the Home Managers, the Financial Controller and the Administration Manager, who is also the Nominated Individual for CQC purposes.

An Audit and Risk Management Committee is responsible for ensuring there is a framework of accountability in place within the Charity it is also responsible for examining and reviewing systems and methods of control, both financial and otherwise, including risk analysis and management; and for ensuring that the charity is complying with all aspects of law, relevant regulations and good practice. The Audit and Risk Management Committee, which meets at least twice a year, consists of three Trustees, the Chief Executive Officer, the Financial Controller and the Administration Manager.

**Organisational Structure and Relationships**

The Charity is a member of the National Care Association, which represents care providers in the UK. The Charity also benefits from close support from charities and friends associated with the three Homes. The financial and other support from those organisations and volunteers from within the local communities is greatly appreciated and gladly acknowledged.

**Key Management Personnel**

The Trustees consider the Board of Trustees and the Chief Executive Officer as being key management personnel responsible for directing and controlling the operations of the Charity. These individuals are supported by the Home Managers, the Financial Controller and the Administration Manager, who is also the Nominated Individual for CQC purposes.

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and other transactions with Trustees are disclosed in Note 14 to the accounts.

The salaries of the Chief Executive Officer, the Home Managers, the Financial Controller and the Administration Manager are reviewed annually and usually rise in line with increases in average earnings.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**Statement of Trustees' responsibilities**

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

The law applicable to charities in England and Wales requires the Charity's Trustees to prepare financial statements each year which give a true and fair view of the state of affairs of the Charity and the incoming resources and application of resources of the Charity for that period

In preparing the financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- 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, the financial position of the Charity at any time, and to enable them as Trustees to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust Deed. The Trustees are also responsible for safeguarding the Charity's assets and taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

The Trustees are also responsible for the maintenance and integrity of the Charity and any financial information on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

**Auditor**

In accordance with the company's articles, a resolution proposing that McLintocks (NW) Limited be reappointed as auditor of the company will be put at a General Meeting.

**Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

**Mrs S M Cook**

Dated: 26 November 2021

# CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CHESHIRE RESIDENTIAL HOMES TRUST

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## Opinion

We have audited the financial statements of Cheshire Residential Homes Trust (the 'Charity') which includes the linked charities for the period ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF CHESHIRE RESIDENTIAL HOMES TRUST**

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## **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 directors' report included within the Trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

## **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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

Enquiries of management and those charged with governance were held in order to identify any laws and regulations that could be expected to have a material impact on the financial statements. Throughout the audit, the team were updated with the outcomes of these enquiries including consideration as to where and how fraud may occur in the Charity.

The audit procedures undertaken to address any potential risk in relation to irregularities (which include fraud and non-compliance with laws and regulations) included: enquiries of management and those charged with governance on how the Charity complies with relevant laws, regulations and any cases actual or potential litigation or claims; examination of appropriate legal correspondence; review of board minutes; testing of journal entries for appropriateness; and analytical procedures on account balances to identify variances against expectation which may show indications of fraud.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF CHESHIRE RESIDENTIAL HOMES TRUST**

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No instances of material non-compliance were identified, although the prospect of detecting irregularities, including fraud, is inherently difficult. This is due to; difficulty in detecting irregularities; limits imposed by the effectiveness of the entity's controls; and the nature, timing and extent of the audit procedures performed. Irregularities as a result of fraud are inherently more difficult to detect than those that resulting from error. Despite this the audit has being planned and performed in accordance with ISAs (UK), there is an unavoidable risk that material misstatements may not be detected.

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

**Use of our report**

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

**Michael Caputo FCA (Senior Statutory Auditor)  
for and on behalf of McLintocks (NW) Limited**

26 November 2021

**Chartered Accountants  
Statutory Auditor**

2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9PX

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

**Current financial year**

		<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Endowment funds 2021 £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
	<b>Notes</b>					
<b><u>Income and endowments from:</u></b>						
Donations and legacies	<b>3</b>	3,766	-	-	3,766	3,465
Charitable activities	<b>4</b>	3,204,370	-	-	3,204,370	2,880,135
Investments	<b>5</b>	15,383	-	-	15,383	24,163
Other income	<b>6</b>	189,468	-	-	189,468	-
<b>Total income</b>		<b>3,412,987</b>	<b>-</b>	<b>-</b>	<b>3,412,987</b>	<b>2,907,763</b>
<b><u>Expenditure on:</u></b>						
Raising funds	<b>7</b>	3,869	-	-	3,869	3,863
Charitable activities	<b>8</b>	3,156,166	-	-	3,156,166	2,719,302
<b>Total resources expended</b>		<b>3,160,035</b>	<b>-</b>	<b>-</b>	<b>3,160,035</b>	<b>2,723,165</b>
Operating surplus		252,952	-	-	252,952	184,598
Net gains/(losses) on investments	<b>12</b>	125,556	-	-	125,556	(72,639)
<b>Net incoming resources</b>		<b>378,508</b>	<b>-</b>	<b>-</b>	<b>378,508</b>	<b>111,959</b>
<b><u>Other recognised gains and losses</u></b>						
Revaluation of tangible fixed assets	<b>13</b>	-	-	-	-	(6,611,526)
<b>Net movement in funds</b>		<b>378,508</b>	<b>-</b>	<b>-</b>	<b>378,508</b>	<b>(6,499,567)</b>
Fund balances at 1 April 2020		1,652,880	1,932	5,689,000	7,343,812	13,843,379
<b>Fund balances at 31 March 2021</b>		<b>2,031,388</b>	<b>1,932</b>	<b>5,689,000</b>	<b>7,722,320</b>	<b>7,343,812</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

Prior financial year

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	3,465	-	-	3,465
Charitable activities	4	2,880,135	-	-	2,880,135
Investments	5	21,435	2,728	-	24,163
<b>Total income</b>		<b>2,905,035</b>	<b>2,728</b>	<b>-</b>	<b>2,907,763</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	3,863	-	-	3,863
Charitable activities	8	2,705,426	13,876	-	2,719,302
<b>Total resources expended</b>		<b>2,709,289</b>	<b>13,876</b>	<b>-</b>	<b>2,723,165</b>
Operating surplus		195,746	(11,148)	-	184,598
Net gains/(losses) on investments	12	(72,639)	-	-	(72,639)
Gross transfers between funds		104,922	(1,145,769)	1,040,847	-
<b>Net incoming resources</b>		<b>228,029</b>	<b>(1,156,917)</b>	<b>1,040,847</b>	<b>111,959</b>
<b><u>Other recognised gains and losses</u></b>					
Revaluation of tangible fixed assets	13	-	-	(6,611,526)	(6,611,526)
<b>Net movement in funds</b>		<b>228,029</b>	<b>(1,156,917)</b>	<b>(5,570,679)</b>	<b>(6,499,567)</b>
Fund balances at 1 April 2019		1,424,851	1,158,849	11,259,679	13,843,379
<b>Fund balances at 31 March 2020</b>		<b>1,652,880</b>	<b>1,932</b>	<b>5,689,000</b>	<b>7,343,812</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
BALANCE SHEET**

**AS AT 31 MARCH 2021**

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		6,030,329		6,037,678
Investments	15		660,838		527,046
			6,691,167		6,564,724
<b>Current assets</b>					
Debtors	16	329,151		322,166	
Investments	17	272,089		322,497	
Cash at bank and in hand		927,786		658,382	
			1,529,026		1,303,045
<b>Creditors: amounts falling due within one year</b>	18	(497,873)		(523,957)	
Net current assets			1,031,153		779,088
<b>Total assets less current liabilities</b>			7,722,320		7,343,812
<b>Capital funds</b>					
<u>Endowment funds - general</u>					
General endowment funds		5,689,000		12,300,526	
Revaluation reserve		-		(6,611,526)	
	19		5,689,000		5,689,000
<b>Income funds</b>					
Restricted funds	20		1,932		1,932
<u>Unrestricted funds</u>					
Designated funds	21	22,641		22,641	
General unrestricted funds		2,008,747		1,630,239	
			2,031,388		1,652,880
			7,722,320		7,343,812

The financial statements were approved by the Trustees on 26 November 2021

Mrs S M Cook

**Company Registration No. 12571844**

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES  
STATEMENT OF CASH FLOWS**

**FOR THE PERIOD ENDED 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	26		227,755		107,431
<b>Investing activities</b>					
Purchase of tangible fixed assets		(15,906)		(1,181,876)	
Purchase of investments		(156,503)		(69,415)	
Proceeds on disposal of investments		148,267		75,987	
Investment income received		15,383		24,163	
<b>Net cash used in investing activities</b>			(8,759)		(1,151,141)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			218,996		(1,043,710)
Cash and cash equivalents at beginning of period			980,879		2,024,589
<b>Cash and cash equivalents at end of period</b>			<u>1,199,875</u>		<u>980,879</u>
<b>Relating to:</b>					
Cash at bank and in hand			927,786		658,382
Short term deposits included in current asset investments			<u>272,089</u>		<u>322,497</u>

# **CHESHIRE RESIDENTIAL HOMES TRUST AND LINKED CHARITIES**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE PERIOD ENDED 31 MARCH 2021**

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#### **1 Accounting policies**

##### **Charity information**

Cheshire Residential Homes Trust is a Charity registered with the Charity Commission in England & Wales (1190162). The principle address is Sandiway Manor, Norley road, Sandiway, Northwich, CW8 2JW.

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

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

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

##### **1.2 Going concern**

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

##### **1.3 Charitable funds**

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the Charity's charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a specific fund for a specific purpose.

Restricted funds are funds that are to be used in accordance with the specific restrictions imposed by the donor.

Endowed funds are funds used for a specific purpose or purposes of the Charity. The Trustees have been advised by Brabners LLP, solicitors, that they consider the freehold and buildings to be permanent endowment, being functional land and buildings to be held in perpetuity by the Charity. Accordingly, in these Financial Statements the freehold land and buildings have been treated as permanent endowment.

##### **1.4 Income**

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

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. Donations subject to specific wishes of the donors are carried to relevant restricted funds. Donations receivable for the general purposes of the Charity are credited to unrestricted funds.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event of the legacy gift being in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition would be subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset being transferred to the Charity.

Interest on investments and on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

---

**1 Accounting policies**

**(Continued)**

Dividends from listed companies are recognised once the dividend has been declared and notification has been received of the dividend due.

**1.5 Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on the accrual basis.

All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings. VAT is included with the item of expense to which it relates.

Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving public accountability of the Charity and its compliance with regulation and good practice. These costs include related statutory audit fees together with apportionments of overhead and support costs.

**1.6 Tangible fixed assets**

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

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

Freehold land and buildings	not depreciated
Plant and equipment	at varying rates on cost and reducing balance
Motor vehicles	25% reducing balance

No provision is made for depreciation in respect of freehold properties. This policy has been adopted because the value of these assets is maintained by the Charity's continued programme of property maintenance and improvements; consequently, any element of depreciation would, in the opinion of the Trustees, be immaterial. Furthermore, the Trustees carry out an annual impairment review.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The Homes (freehold land and buildings) are usually revalued every five years with any surplus or loss arising on revaluation being accounted for in the year of valuation as an unrealised gain or loss. A valuation was made in 2009 consequently a revaluation of the Homes was due at 31 March 2014. However, by virtue of the fact that work had begun on a multi-million pound development scheme for extending and remodelling Trepassey Residential Home, the Trustees decided to defer a revaluation of the Homes until the development of Trepassey Residential Home had been completed and then revert to five yearly intervals. The work in extending and remodelling Trepassey was completed in August 2019 as a result the freehold land and buildings have been professionally valued at 31 March 2020 and remains unchanged at 31 March 2021.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

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**1 Accounting policies**

**(Continued)**

**1.7 Fixed asset investments**

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

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

The main form of 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 other investments.

**1.8 Impairment of fixed assets**

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

**1.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.10 Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

**1 Accounting policies**

**(Continued)**

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**1.11 Employee benefits**

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

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

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

**1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

**2 Critical accounting estimates and judgements**

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

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

**3 Donations and legacies**

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2021</b>	2020
	<b>£</b>	£
Donations and gifts	3,766	3,465
	<u>3,766</u>	<u>3,465</u>

**4 Charitable activities**

	Sandiway Manor	Trepassey	Upton Grange	Total	Sandiway Manor	Trepassey	Upton Grange	Total
	2021	2021	2021	2021	2020	2020	2020	2020
	£	£	£	£	£	£	£	£
Residential care	1,075,160	1,346,744	782,466	3,204,370	1,074,729	804,725	1,000,681	2,880,135
	<u>1,075,160</u>	<u>1,346,744</u>	<u>782,466</u>	<u>3,204,370</u>	<u>1,074,729</u>	<u>804,725</u>	<u>1,000,681</u>	<u>2,880,135</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

**5 Investments**

	<b>Unrestricted funds</b>	Unrestricted funds	Restricted funds	Total
	<b>2021</b>	2020	2020	2020
	£	£	£	£
Income from listed investments	15,264	20,772	1,337	22,109
Interest receivable	119	663	1,391	2,054
	<u>15,383</u>	<u>21,435</u>	<u>2,728</u>	<u>24,163</u>
	<u><u>15,383</u></u>	<u><u>21,435</u></u>	<u><u>2,728</u></u>	<u><u>24,163</u></u>

**6 Other income**

	<b>Unrestricted funds</b>	Total
	<b>2021</b>	2020
	£	£
Coronavirus grants	188,632	-
Sundry income	836	-
	<u>189,468</u>	<u>-</u>
	<u><u>189,468</u></u>	<u><u>-</u></u>

**7 Raising funds**

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2021</b>	2020
	£	£
Investment management	3,869	3,863
	<u>3,869</u>	<u>3,863</u>
	<u><u>3,869</u></u>	<u><u>3,863</u></u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

**8 Charitable activities**

	<b>Sandiway Manor 2021 £</b>	<b>Trepassey 2021 £</b>	<b>Upton Grange 2021 £</b>	<b>Trustees 2021 £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Staff costs	677,684	802,478	554,204	-	2,034,366	1,744,917
Depreciation and impairment	3,528	12,240	4,140	3,348	23,256	24,303
Agency fees	89,560	87,781	14,471	-	191,812	135,813
Catering and housekeeping	84,718	78,543	64,305	-	227,566	176,640
Rates and insurance	14,360	23,598	7,508	30,765	76,231	84,706
Heat and light	28,083	52,940	22,681	-	103,704	97,333
Maintenance	23,440	24,174	23,063	-	70,677	111,372
Legal and professional fees	1,800	-	1,288	-	3,088	1,990
ICT leasing and support	10,111	12,506	11,127	28,636	62,380	29,634
Bad and doubtful debts	-	-	-	-	-	1,125
Other expenditure	46,286	62,628	35,727	-	144,641	140,987
	<u>979,570</u>	<u>1,156,888</u>	<u>738,514</u>	<u>62,749</u>	<u>2,937,721</u>	<u>2,548,820</u>
Share of support costs (see note 9)	-	-	-	163,799	163,799	147,394
Share of governance costs (see note 9)	-	-	-	54,646	54,646	23,088
	<u>979,570</u>	<u>1,156,888</u>	<u>738,514</u>	<u>281,194</u>	<u>3,156,166</u>	<u>2,719,302</u>
<b>Analysis by fund</b>						
Unrestricted funds	<u>979,570</u>	<u>1,156,888</u>	<u>738,514</u>	<u>281,194</u>	<u>3,156,166</u>	<u>2,705,426</u>
Restricted funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,876</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

**8 Charitable activities**

**(Continued)**

For the period ended 31 March 2020

	Sandiway Manor £	Trepassey £	Upton Grange £	Trustees £	Total 2020 £
Staff costs	620,433	573,311	551,173	-	1,744,917
Depreciation and impairment	3,528	12,228	4,136	4,411	24,303
Agency fees	55,802	22,440	57,571	-	135,813
Catering and housekeeping	67,686	56,089	52,865	-	176,640
Rates and insurance	17,184	21,946	6,728	38,848	84,706
Heat and light	32,206	44,226	20,901	-	97,333
Maintenance	35,324	30,539	45,509	-	111,372
Legal and professional fees	860	-	1,130	-	1,990
ICT leasing and support	6,164	5,644	5,578	12,248	29,634
Bad and doubtful debts	-	1,125	-	-	1,125
Other expenditure	41,360	41,025	39,120	19,482	140,987
	<u>880,547</u>	<u>808,573</u>	<u>784,711</u>	<u>74,989</u>	<u>2,548,820</u>
Share of support costs (see note 9)	-	-	-	147,394	147,394
Share of governance costs (see note 9)	-	-	-	23,088	23,088
	<u>880,547</u>	<u>808,573</u>	<u>784,711</u>	<u>245,471</u>	<u>2,719,302</u>
<b>Analysis by fund</b>					
Unrestricted funds	880,547	794,697	784,711	245,471	2,705,426
Restricted funds	-	13,876	-	-	13,876
	<u>880,547</u>	<u>808,573</u>	<u>784,711</u>	<u>245,471</u>	<u>2,719,302</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

**9 Support costs**

	<b>Support costs</b>	<b>Governance costs</b>	<b>2021</b>	<b>Support costs</b>	<b>Governance costs</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	124,648	48,362	173,010	132,080	19,342	151,422
Other costs	7,491	-	7,491	1,968	-	1,968
Legal and professional fees	31,660	-	31,660	13,346	-	13,346
Audit fees	-	5,104	5,104	-	2,850	2,850
Trustees indemnity insurance	-	1,180	1,180	-	896	896
	<u>163,799</u>	<u>54,646</u>	<u>218,445</u>	<u>147,394</u>	<u>23,088</u>	<u>170,482</u>
Analysed between Charitable activities	<u>163,799</u>	<u>54,646</u>	<u>218,445</u>	<u>147,394</u>	<u>23,088</u>	<u>170,482</u>

Governance costs includes payments to the auditors of £3,000 (2020- £2,850) for audit fees and £2,104 (2020: £nil) for non-audit fees.

**10 Trustees**

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the period.

**11 Employees**

The average monthly number of employees during the period was:

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Provision of care and ancillary services	117	89
Management and administration	6	5
Total	<u>123</u>	<u>94</u>

**Employment costs**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,023,491	1,726,692
Social security costs	138,196	129,291
Other pension costs	45,689	40,356
	<u>2,207,376</u>	<u>1,896,339</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

**11 Employees**

**(Continued)**

The Trustees all give freely their time and expertise without any form of remuneration or other benefits in kind (2020 £nil).

The Charity's key management personnel now comprise the Trustees and the Chief Executive Officer. The Chief Executive Officer is supported by the Home Managers and the Administration Manager, who is also the Nominated Individual for CQC purposes. The total employment benefits of the Chief Executive Officer, including employer pension contributions, was £49,699 (2020 - £41,099).

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

**12 Net gains/(losses) on investments**

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2021</b>	2020
	<b>£</b>	<b>£</b>
Gain/(loss) on sale of investments	125,556	(72,639)
	<u>125,556</u>	<u>(72,639)</u>

**13 Revaluation of fixed assets**

	<b>Total</b>	Endowment funds general
	<b>2021</b>	2020
	<b>£</b>	<b>£</b>
Loss on revaluation of tangible fixed assets	-	(6,611,526)
	<u>-</u>	<u>(6,611,526)</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

**14 Tangible fixed assets**

	Freehold land and buildings	Plant and Motor vehicles equipment		Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 April 2020	5,689,000	408,152	11,628	6,108,780
Additions	-	15,906	-	15,906
	<u>5,689,000</u>	<u>424,058</u>	<u>11,628</u>	<u>6,124,686</u>
At 31 March 2021	5,689,000	424,058	11,628	6,124,686
	<u>5,689,000</u>	<u>424,058</u>	<u>11,628</u>	<u>6,124,686</u>
<b>Depreciation and impairment</b>				
At 1 April 2020	-	62,055	9,046	71,101
Depreciation charged in the period	-	22,608	648	23,256
	<u>-</u>	<u>84,663</u>	<u>9,694</u>	<u>94,357</u>
At 31 March 2021	-	84,663	9,694	94,357
	<u>-</u>	<u>84,663</u>	<u>9,694</u>	<u>94,357</u>
<b>Carrying amount</b>				
At 31 March 2021	5,689,000	339,395	1,934	6,030,329
	<u>5,689,000</u>	<u>339,395</u>	<u>1,934</u>	<u>6,030,329</u>
At 31 March 2020	5,689,000	346,096	2,582	6,037,678
	<u>5,689,000</u>	<u>346,096</u>	<u>2,582</u>	<u>6,037,678</u>

The freehold land and buildings Sandiway Manor, Trepassey and Upton Grange were valued at 31 March 2020 by Allied Surveyors, Chester, on an open market value basis in accordance with the guidelines issued by the Royal Institute of Chartered Surveyors. At 31 March 2020 the freehold land and buildings were valued at £5,689,000. At 31 March 2020 the historical cost of the properties was £10,824,895. The valuations at 31 March 2020 reflect improvements made to the properties over a period of time, but they do not take into account the cost of such improvements or the unique nature of the buildings, in particular the building at Trepassey which, in recent years, has been extensively extended and remodelled. Instead, the valuations are based upon the likely value of the properties assuming that the Homes are fully trading operational entities, but within the private sector, rather than the voluntary sector.

The Trustees consider that the value of the freehold properties as at 31 March 2021 have not changed materially since 31st March 2020.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

**15 Fixed asset investments**

	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 April 2020	527,046
Additions	156,503
Valuation changes	125,556
Disposals	(148,267)
	<hr/>
At 31 March 2021	660,838
	<hr/>
<b>Carrying amount</b>	
At 31 March 2021	660,838
	<hr/> <hr/>
At 31 March 2020	527,046
	<hr/> <hr/>

	<b>2021 £</b>	<b>2020 £</b>
Investments at fair value comprise:		
COIF Charities Investment Fund	71,699	59,426
UK and overseas equities and specialist funds	482,926	377,937
Fixed interest securities	106,213	89,683
	<hr/>	<hr/>
	660,838	527,046
	<hr/> <hr/>	<hr/> <hr/>

All investments are carried at their fair value. Investments in equities, specialist and multi-asset funds and fixed interest securities are all quoted in public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at bid price. The basis of fair value for quoted investments is equivalent to market value, using the bid price. Asset sales and purchases are recognised at the date of trade at their transaction value.

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

Historic cost of investments is £495,454 (2020: £475,600).

**16 Debtors**

	<b>2021 £</b>	<b>2020 £</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	65,505	52,604
Other debtors	259,232	267,622
Prepayments and accrued income	4,414	1,940
	<hr/>	<hr/>
	329,151	322,166
	<hr/> <hr/>	<hr/> <hr/>

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

**16 Debtors**

**(Continued)**

Other debtors include £223,466 (2020 - £223,466) due from The Jardine Charitable Trust Fund, in respect of a transfer in relation to compensation payable to Trepassey for the consequential loss arising as a result of the unavailability of a number of bedrooms in preparation for and during work in extending and remodelling that Home.

**17 Current asset investments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Short term deposits	272,089	322,497
	<u>272,089</u>	<u>322,497</u>

**18 Creditors: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	-	6,864
Trade creditors	37,142	48,390
Other creditors	370,717	381,177
Accruals and deferred income	90,014	87,526
	<u>497,873</u>	<u>523,957</u>

Other creditors includes Trepassey – compensation for loss of income representing £223,466 (2020: £223,466) an amount payable to Trepassey by The Jardine Charitable Trust Fund, in respect of a transfer in relation to compensation for the consequential loss arising as a result of the unavailability of a number of bedrooms in preparation for and during work in extending and remodelling the Home.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
*FOR THE PERIOD ENDED 31 MARCH 2021*

**19 Endowment funds**

Endowment funds represent assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	<b>Movement in funds</b>					<b>Movement in funds</b>					
	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 March 2021
	£	£	£	£	£	£	£	£	£	£	£
<b>Permanent endowments</b>											
Freehold land and buildings	11,259,679	-	-	1,040,847	(6,611,526)	5,689,000	-	-	-	-	5,689,000
	<u>11,259,679</u>	<u>-</u>	<u>-</u>	<u>1,040,847</u>	<u>(6,611,526)</u>	<u>5,689,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,689,000</u>
	<u><u>11,259,679</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>1,040,847</u></u>	<u><u>(6,611,526)</u></u>	<u><u>5,689,000</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>5,689,000</u></u>

The Permanent Endowment Fund represents the value of the freehold land and buildings, which are considered to be functional assets to be held by the Charity in perpetuity.

**CHESHIRE RESIDENTIAL HOMES TRUST  
AND LINKED CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

**20 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds	
	Income £	Balance at 1 April 2020 £	Income £	Balance at 31 March 2021 £
Lady Becke Fund	-	1,932	-	1,932
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The Lady Becke Fund relates to monies donated in memory of the late Lady Becke to provide nursing care to residents of the Homes, should the need arise. The Jardine Charitable Trust Fund, which was created under the Will of Mr D J Jardine Deceased, was specifically for the purpose of improving and/or developing the facilities of Trepassey Care Home, Heswall, Wirral, being one of the three Homes owned by the Charity.

**21 Designated funds**

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 April 2019 £	Incoming resources £	Balance at 1 April 2020 £	Incoming resources £	Balance at 31 March 2021 £
Maintenance reserve	22,641	-	22,641	-	22,641
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	<u>22,641</u>	<u>          </u>	<u>22,641</u>	<u>          </u>	<u>22,641</u>

The maintenance fund represents funds set aside to meet the cost of future repairs to buildings at the three Homes. There were no movements during the year.

**CHESHIRE RESIDENTIAL HOMES TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

**22 Analysis of net assets between funds**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Endowment funds 2021 £</b>	<b>Total 2021 £</b>	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Endowment funds 2020 £</b>	<b>Total 2020 £</b>
Fund balances at 31 March 2021 are represented by:								
Tangible assets	341,329	-	5,689,000	6,030,329	348,678	-	5,689,000	6,037,678
Investments	660,838	-	-	660,838	527,046	-	-	527,046
Current assets/(liabilities)	1,029,221	1,932	-	1,031,153	777,156	1,932	-	779,088
	<u>2,031,388</u>	<u>1,932</u>	<u>5,689,000</u>	<u>7,722,320</u>	<u>1,652,880</u>	<u>1,932</u>	<u>5,689,000</u>	<u>7,343,812</u>

**CHESHIRE RESIDENTIAL HOMES TRUST  
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**FOR THE PERIOD ENDED 31 MARCH 2021**

**23 Operating lease commitments**

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

	<b>2021</b>	<b>2020</b>
	£	£
Within one year	15,331	8,690
Between two and five years	10,553	44,152
	<u>25,884</u>	<u>52,842</u>

**24 Capital commitments**

<b>2021</b>	<b>2020</b>
£	£

At 31 March 2021 the Charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	36,150	-
	<u>36,150</u>	<u>-</u>

**25 Related party transactions**

The Trustees all give freely their time and expertise without any form of remuneration or other benefits in cash or in kind.

Trustees' travelling and out-of-pocket expenses reimbursed during 2021 amounted to £Nil (2020 – Nil).

During the year the Trustees made a payment of £525 (2020 - £525) to Mrs C L Reeves, a member of the Board of Trustees, in respect of secretarial services; this payment was made on normal commercial terms.

**26 Cash generated from operations**

<b>2021</b>	<b>2020</b>
£	£

Net incoming resources	378,508	111,959
Adjustments for:		
Investment income recognised in statement of financial activities	(15,383)	(24,163)
(Gain)/loss on disposal of investments	(125,556)	72,639
Depreciation and impairment of tangible fixed assets	23,256	24,303
Movements in working capital:		
(Increase) in debtors	(6,985)	(14,260)
(Decrease) in creditors	(26,085)	(63,047)
<b>Cash generated from operations</b>	<u>227,755</u>	<u>107,431</u>