

REGISTERED CHARITY NUMBER: 214293

**Report of the Trustees and
Audited Financial Statements
for the Year Ended 31 March 2023
for
St Andrew's House**

St Andrew's House

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for the Year Ended 31 March 2023**

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St Andrew's House

**Reference and Administrative Details
for the Year Ended 31 March 2023**

TRUSTEES	K L Holmes R Perry (resigned 28.9.2022) R F Kemble J V Wilkins M A Dunwoody D W Mills S Calder (appointed 27.2.2023) J Mann (appointed 30.11.2022)
PRINCIPAL ADDRESS	19 St Andrews Road Earlsdon Coventry CV5 6FP
REGISTERED CHARITY NUMBER	214293
AUDITORS	Leigh Christou Ltd Chartered Certified Accountants and Statutory Auditor Leofric House Binley Road Coventry CV3 1JN
BANKERS	Natwest Bank Birmingham City Centre 1 St Philips Place Birmingham B3 2PP

St Andrew's House

Report of the Trustees for the Year Ended 31 March 2023

The trustees present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The overall objectives of the charity are:

- the provision of housing accommodation for beneficiaries, with a preference, but not a requirement, for beneficiaries who are members of or adherents to a non-conformist Christian Church; and
- such charitable purposes for the benefit of the residents as the Trustees decide; and
- the provision of extra-care accommodation and facilities for:
beneficiaries, with a preference for residents; and subject hereto other persons who are sick, convalescent, or infirm.

Further objectives are:

- to provide high quality residential care in a pleasant and friendly environment.
- to enable residents to have as much choice and independence as they are capable of.
- to constantly strive to improve services.
- to ensure the financial viability and efficiency of the Home, providing security for the residents and staff.
- to invest in staff, developing their skills so that the services can improve.
- to work closely with contractors and suppliers ensuring quality service at an efficient cost.
- to ensure the requirements of the Social Services and the Care Quality Commission are attained wherever possible.

St Andrew's aims to provide a caring, Christian environment which offers choice and independence, supporting our community of residents to live a constructive, positive, and fulfilling lifestyle.

Ongoing activities form a vital part of the residents' personal welfare, and the programme is coordinated by the Activities Organiser.

A weekly programme of activities includes group events, quizzes & entertainments. Individual programmes are also a feature and take into account personal requirements. Entertainment is also provided by local volunteer groups, Churches & other artists. Optional devotions are held, normally on Sundays & Wednesdays led, either by a minister, or by a team of volunteer leaders, many drawn from local Churches.

The charity regularly requests feedback and involvement of residents in decision making to ensure their concerns and opinions are taken into consideration.

The public benefits of the charity are the provision of residential care home accommodation. The public benefits directly relate to the charity's key objectives.

In shaping the objectives for the year and planning for the charity's activities, the charity trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

ACHIEVEMENT AND PERFORMANCE

The Charity was disappointed with the assessment from the Care Quality Commission (CQC) inspection in August 2022, however, are pleased that progress has been recognised in the June 2023 inspection. Much effort has been undertaken by the Charity to address the issues raised in the inspection and St Andrews has been supported by Coventry Social Services Commissioning Team, who we thank sincerely. The CQC has been provided with monthly reports from the Nominated Individual on progress and have acknowledged that some improvements have been made but are not yet willing to remove us from special measures. This position causes much concern to the trustees, and stress to the staff team, who are unwavering in their determination to improve and receive a higher grading.

Trustees express a massive thank you to manager, Jill Holmes and her staff team, many of whom put themselves at risk during the pandemic in order to maintain services to the resident community and have implemented many improvements as required by the CQC. Their dedication has been exemplary against considerable challenges of shortages of staff in the Care Sector and inflationary pressures, whilst investing in electronic Care Plan System and generally evidencing the positive aspects of the care provided. It is gratifying to receive very good responses of residents in relation to their Care by kind and attentive staff. Regular meetings with residents has resumed for which Trustees are involved on a bi-monthly basis.

St Andrew's House

Report of the Trustees for the Year Ended 31 March 2023

FINANCIAL REVIEW

Like many providers operating in the Care Sector, St Andrew's House has continued to be challenged by external factors such as high inflation and staff shortages. The shortage of staff has at times required a greater use of agency staff than we would have liked which in turn has impacted on financial outcomes.

Having said that the trustees report a reversal of the losses of the last two years and are able to report a trading surplus for the year of £10,893 (2022: £106,444 deficit) on a turnover of £1.3m (2022: £1.0m). This is largely attributed to the increase and stability of occupancy rates over the course of the year. Since access for prospective residents was restored in July 2021, the charity has strived to recruit new residents, and as a result, income from Residents Fees has increased by 35% compared to the prior year.

Expenditure continues to be tightly controlled, however, staff costs remain a significant expense. The costs of maintaining the Home to a high standard have also risen during the year. The trustees continue to invest in the property and the provision of electronic systems to meet the developing needs of the residents.

Within the financial year, the home has met its loan repayment facility to Nat West Bank plc, as part of the 18 year repayment period. This £750,000 loan requires servicing at a cost of circa £60,000 per annum.

The balance sheet shows a increase in overall funds over the year of £10,893 (2022: £106,444 decrease) which now stands at £1,698,002 (2022: £1,687,109). At the balance sheet date, total reserves are represented wholly by unrestricted funds.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. Included within unrestricted funds at the balance sheet date is £120,000 (2022: £120,000) designated by the trustees for this purpose.

In common with many other providers in the Care Sector, St Andrews could not survive only on the income received from Social Services and requires residents to meet the balance of fees, as determined by the Trustees. Everything possible is done to ensure that costs are contained as reasonable as possible, in order that the tariff can be set at a fair level and fee rates are reviewed annually.

The Charity holds various funds on deposit with Natwest Bank and will from time to time explore alternative investment choices. The Trustees' investment powers are governed by statute.

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that the Action Plan and other systems in place mitigate exposure to the major risks, including principally, the loss of registration with the Care Quality Commission (CQC).

The Trustees continue to review the strategy for other potential improvements to the Home.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

St Andrew's House

Report of the Trustees for the Year Ended 31 March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

St Andrews House is a registered Charity, established by a Deed of Trust dated 1 August 1950 (plus amendments dated 16 May 1984). A new Trust Deed, approved by the Charity Commission, was implemented at the AGM in September 2009.

The Charity has one residential care home, St Andrews House, Earlsdon, Coventry, CV5 6FP, which is registered with the Care Quality Commission to accommodate a maximum of 35 residents.

At the year end, the Home employed 50 (2022: 44) members of staff comprising the Home Manager, Bursar, supervisors and care assistants, an activities organiser, kitchen staff, housekeeping/laundry staff and an administrator. Our staff group is of mixed ages, experience and ethnicity.

We are regularly inspected by the CQC in conjunction with other supervisory bodies. Inspection reports are available from the CQC and are downloadable from that website.

Responsibility for the Charity rests with the Trustees, who delegate the responsibility for running the care home to the Manager. Each nominating body, as set out in the Trust Scheme, can nominate up to 2 Trustees. In addition, the Trustees may appoint 7 co-opted Trustees. The nominated Trustees may serve for a maximum of 2 terms of 3 years before retiring for 1 year. The co-opted Trustees are appointed for terms of 3 years. At the end of March 2023 we had 7 trustees.

The Trustees meet monthly and have regular contact with the Home Manager and the Bursar to ensure the smooth running of the Charity.

During the year, Trustee David Mills was re-elected as 'Nominated Individual', for which we are most grateful.

New Trustees are given a copy of the Trust Deed, access to previous minutes, a copy of the Charity's latest Report and Financial Statement and they undergo induction training. Where necessary, due to the new Trustee's potential involvement, a Disclosure and Barring Service check is carried out before the Trusteeship commences.

The Trustees review the remuneration package annually and award increases based on the Home's financial performance and perceived cost of living adjustments and other factors. This has worked well in so far as there is an open recruitment policy which ensures the starting package is competitive and coupled with the annual review ensures staff retainment is part of the review. The Care Manager has been in place for almost 10 years, whilst the Senior Supervisors have been in place for up to 18 years which suggests the policy is reasonable and appropriate.

FUND RAISING STANDARDS INFORMATION

The charity's fundraising is limited to holding events at the charity's home.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

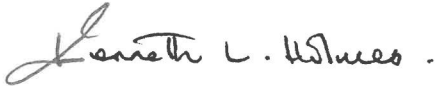
St Andrew's House

**Report of the Trustees
for the Year Ended 31 March 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 13 September 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Kenneth L. Holmes'.

K L Holmes - Trustee

Report of the Independent Auditors to the Trustees of St Andrew's House

Opinion

We have audited the financial statements of St Andrew's House (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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.

Material uncertainty relating to going concern

Without qualifying our opinion, we draw your attention to Note 2 of the financial statements which indicate a material uncertainty related to going concern. As a result of an "inadequate" rating by the Care Quality Commission (CQC) following an inspection in August 2022, the charity is under "special measures", to be reviewed every six months by the CQC. Although the home was upgraded to "requires improvement" following a re-inspection in June 2023, the home was found to still be in breach of some of the regulations, and therefore, the home remains in "special measures". The CQC therefore has the right to take further enforcement action, including removing the providers registration.

During the year, the trustees engaged legal representation in order to appeal against the findings of the CQC inspection conducted in August 2022, and the proposed removal of the providers registration. An appeal hearing is set for February 2024, however there is no guarantee that a favourable outcome will be achieved successfully. This indicates that a material uncertainty exists that may cast doubt on the ability of St Andrew's House to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in the auditor's professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit

- Revenue recognition
- Recoverability of debtors
- Completeness of creditors
- Presentation of restricted funds
- Compliance with licencing requirements

Report of the Independent Auditors to the Trustees of St Andrew's House

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

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

Report of the Independent Auditors to the Trustees of St Andrew's House

Our responsibilities for the audit of the financial statements

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

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

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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

**Report of the Independent Auditors to the Trustees of
St Andrew's House**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Leigh Christou Ltd
Chartered Certified Accountants and
Statutory Auditor
Leofric House
Binley Road
Coventry
CV3 1JN

13 September 2023

St Andrew's House

Statement of Financial Activities
for the Year Ended 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	4	7,736	27,869	35,605	85,535
Charitable activities	6				
Residents fees		1,238,482	-	1,238,482	898,204
Recharge expenses		13,745	-	13,745	10,746
Investment income	5	25,545	-	25,545	22,239
Total		<u>1,285,508</u>	<u>27,869</u>	<u>1,313,377</u>	<u>1,016,724</u>
EXPENDITURE ON					
Charitable activities	7				
Charitable Expenditure		1,297,517	4,967	1,302,484	1,143,000
Other		-	-	-	(19,832)
Total		<u>1,297,517</u>	<u>4,967</u>	<u>1,302,484</u>	<u>1,123,168</u>
NET INCOME/(EXPENDITURE)		(12,009)	22,902	10,893	(106,444)
Transfers between funds	20	46,102	(46,102)	-	-
Net movement in funds		34,093	(23,200)	10,893	(106,444)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,663,909	23,200	1,687,109	1,793,553
TOTAL FUNDS CARRIED FORWARD		<u><u>1,698,002</u></u>	<u><u>-</u></u>	<u><u>1,698,002</u></u>	<u><u>1,687,109</u></u>

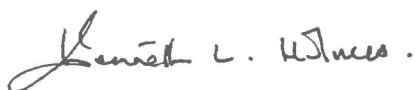
The notes form part of these financial statements

St Andrew's House

**Balance Sheet
31 March 2023**

	Notes	31.3.23 £	31.3.22 £
FIXED ASSETS			
Tangible assets	14	1,676,914	1,701,246
CURRENT ASSETS			
Debtors	15	138,842	213,530
Cash at bank and in hand		319,090	255,917
		457,932	469,447
CREDITORS			
Amounts falling due within one year	16	(97,034)	(106,579)
NET CURRENT ASSETS		360,898	362,868
TOTAL ASSETS LESS CURRENT LIABILITIES		2,037,812	2,064,114
CREDITORS			
Amounts falling due after more than one year	17	(339,810)	(377,005)
NET ASSETS		1,698,002	1,687,109
FUNDS	20		
Unrestricted funds		1,698,002	1,663,909
Restricted funds		-	23,200
TOTAL FUNDS		1,698,002	1,687,109

The financial statements were approved by the Board of Trustees and authorised for issue on 13 September 2023 and were signed on its behalf by:



K L Holmes - Trustee

St Andrew's House

**Cash Flow Statement
for the Year Ended 31 March 2023**

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	180,543	(105,941)
Finance costs paid		(20,819)	(13,350)
Net cash provided by/(used in) operating activities		<u>159,724</u>	<u>(119,291)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(60,873)	(17,021)
Interest received		1,517	40
Net cash used in investing activities		<u>(59,356)</u>	<u>(16,981)</u>
Cash flows from financing activities			
Loan repayments in year		(37,195)	(45,329)
Net cash used in financing activities		<u>(37,195)</u>	<u>(45,329)</u>
Change in cash and cash equivalents in the reporting period		<u>63,173</u>	<u>(181,601)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>255,917</u>	<u>437,518</u>
Cash and cash equivalents at the end of the reporting period		<u><u>319,090</u></u>	<u><u>255,917</u></u>

The notes form part of these financial statements

St Andrew's House

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2023**

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

	31.3.23	31.3.22
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	10,893	(106,444)
Adjustments for:		
Depreciation charges	83,102	80,344
Loss on disposal of fixed assets	2,103	2,166
Interest received	(1,517)	(40)
Finance costs	20,819	13,350
Decrease/(increase) in debtors	74,688	(77,822)
Decrease in creditors	(9,545)	(17,495)
Net cash provided by/(used in) operations	<u>180,543</u>	<u>(105,941)</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	255,917	63,173	319,090
	<u>255,917</u>	<u>63,173</u>	<u>319,090</u>
Debt			
Debts falling due within 1 year	(38,718)	-	(38,718)
Debts falling due after 1 year	(377,005)	37,195	(339,810)
	<u>(415,723)</u>	<u>37,195</u>	<u>(378,528)</u>
Total	<u>(159,806)</u>	<u>100,368</u>	<u>(59,438)</u>

The notes form part of these financial statements

St Andrew's House

Notes to the Financial Statements for the Year Ended 31 March 2023

1. CHARITY INFORMATION

St Andrew's House is a registered Charity, established by a Deed of Trust dated 1 August 1950 (plus amendments dated 16 May 1984). The principal address of the Charity is St Andrew's House, 19 St Andrew's Road, Earlsdon, Coventry, CV5 6FP.

The nature of the Charity's principal activities is the care of elderly residents at its care home St Andrew's House.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

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 £.

Income

All income is recognised in the Statement of Financial Activities once 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.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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

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

On receipt, Grant income is treated as deferred income and released to the Statement of Financial Activities as Grant conditions are met.

Expenditure

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 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 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.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on charitable activities includes the cost associated with caring for the Home's residents and their associated support costs.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Expenditure

Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- 20% on cost
Fixtures and fittings	- 10% on cost

Assets in the course of construction are not depreciated.

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 net income/(expenditure) for the year.

At each reporting date, the Charity reviews the carrying amounts of its tangible fixed 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).

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

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

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Financial instruments

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.

Pension costs and other post-retirement benefits

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

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.

Going concern

On the 4th October 2022, St Andrew's House received an 'inadequate' rating following a routine inspection by the Care Quality Commission (CQC). As part of the enforcement action taken by the CQC, the home was placed into 'special measures', to be reviewed every six months. The 'special measures' imposed have had a significant impact on the charity in the months following the inspection, with the home unable to apply for any grant funding, or admit any new residents that are in any way supported by Social Services.

Although the home was upgraded to "requires improvement" following a re-inspection in June 2023, the home remains in 'special measures', as a result of there remaining an "inadequate" rating in relation to one of the key questions, "Is the service well-led?". The CQC therefore reserves the right to take further enforcement action, including the removal of the providers registration.

During the year, the trustees engaged legal representation in order to appeal against the findings of the CQC inspection conducted in August 2022, and the proposed removal of the providers registration. An appeal hearing is set for February 2024.

The trustees anticipate that the CQC will again re-inspect the home in advance of the appeal hearing, to look for signs of improvement. The trustees are fully committed to improving the rating of the home, and are confident, that once new policies and procedures have been fully implemented, the home will be better positioned to achieve full compliance with regulations, and move out of 'special measures'.

In the months following the year-end, the charity has traded profitably, and has maintained a healthy level of reserves, sufficient to service the charity's long-term liabilities, and meet short-term creditors as they fall due. The trustees therefore continue to prepare the financial statements on a going concern basis.

St Andrew's House

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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.

4. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
Donations	7,736	27,369	35,105	38,059
Legacies	-	500	500	-
Grants	-	-	-	47,476
	<u>7,736</u>	<u>27,869</u>	<u>35,605</u>	<u>85,535</u>

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

	31.3.23 £	31.3.22 £
Other grants	-	47,476

Other grants relates to a grant received from Coventry City Council in relation to Infection Prevention and Control.

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
Rents received	24,028	-	24,028	22,199
Deposit account interest	1,517	-	1,517	40
	<u>25,545</u>	<u>-</u>	<u>25,545</u>	<u>22,239</u>

St Andrew's House

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

6. INCOME FROM CHARITABLE ACTIVITIES

	Residents fees £	Recharge expenses £	31.3.23 Total activities £	31.3.22 Total activities £
Residential care provision	<u>1,238,482</u>	<u>13,745</u>	<u>1,252,227</u>	<u>908,950</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Charitable Expenditure	<u>1,284,297</u>	<u>18,187</u>	<u>1,302,484</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.23 £	31.3.22 £
Staff costs	908,424	791,774
Rates and water	4,040	3,478
Light and heat	30,807	28,613
Telephone	-	5,202
Postage and stationery	1,904	2,413
Advertising	1,247	5,333
Sundries	22,777	20,294
Laundry and cleaning	27,009	23,018
Refurbishment	82,247	83,642
Household and garden	4,686	3,501
Staff training	3,905	4,055
Activity costs	3,793	3,536
Insurance	16,762	11,024
Food	70,672	49,374
Depreciation	83,102	80,344
Loss on sale of assets	2,103	2,166
Interest payable and similar charges	20,819	13,350
	<u>1,284,297</u>	<u>1,131,117</u>

9. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Charitable Expenditure	<u>7,286</u>	<u>10,901</u>	<u>18,187</u>

St Andrew's House

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

9. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

	31.3.23	31.3.22
	Charitable	Total
	Expenditure	activities
	£	£
Wages	7,286	6,307
Auditors' remuneration	4,620	4,200
Legal and professional	6,281	1,376
	<u>18,187</u>	<u>11,883</u>

10. AUDITORS' REMUNERATION

	31.3.23	31.3.22
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>4,620</u>	<u>4,200</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

12. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	862,010	749,326
Social security costs	41,206	37,383
Other pension costs	12,494	11,372
	<u>915,710</u>	<u>798,081</u>

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

	31.3.23	31.3.22
Administrative staff	3	3
Care staff	47	41
	<u>50</u>	<u>44</u>

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

St Andrew's House

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	11,825	73,710	85,535
Charitable activities			
Residents fees	898,204	-	898,204
Recharge expenses	10,746	-	10,746
Investment income	22,239	-	22,239
Total	<u>943,014</u>	<u>73,710</u>	<u>1,016,724</u>
EXPENDITURE ON			
Charitable activities			
Charitable Expenditure	1,098,331	44,669	1,143,000
Other	(19,832)	-	(19,832)
Total	<u>1,078,499</u>	<u>44,669</u>	<u>1,123,168</u>
NET INCOME/(EXPENDITURE)	(135,485)	29,041	(106,444)
Transfers between funds	5,841	(5,841)	-
Net movement in funds	<u>(129,644)</u>	<u>23,200</u>	<u>(106,444)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	1,793,553	-	1,793,553
TOTAL FUNDS CARRIED FORWARD	<u><u>1,663,909</u></u>	<u><u>23,200</u></u>	<u><u>1,687,109</u></u>

St Andrew's House

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £	Totals £
COST				
At 1 April 2022	2,720,063	17,207	297,584	3,034,854
Additions	-	-	60,873	60,873
Disposals	-	-	(4,750)	(4,750)
At 31 March 2023	2,720,063	17,207	353,707	3,090,977
DEPRECIATION				
At 1 April 2022	1,124,464	6,099	203,045	1,333,608
Charge for year	54,401	3,441	25,260	83,102
Eliminated on disposal	-	-	(2,647)	(2,647)
At 31 March 2023	1,178,865	9,540	225,658	1,414,063
NET BOOK VALUE				
At 31 March 2023	1,541,198	7,667	128,049	1,676,914
At 31 March 2022	1,595,599	11,108	94,539	1,701,246

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23 £	31.3.22 £
Trade debtors	117,889	197,180
Prepayments and accrued income	20,953	16,350
	138,842	213,530

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23 £	31.3.22 £
Bank loans and overdrafts (see note 18)	38,718	38,718
Trade creditors	14,925	19,564
Social security and other taxes	6,739	7,826
Other creditors	3,536	13,373
Accruals and deferred income	33,116	27,098
	97,034	106,579

St Andrew's House

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

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

	31.3.23	31.3.22
	£	£
Bank loans (see note 18)	339,810	377,005
	<u>339,810</u>	<u>377,005</u>

18. LOANS

An analysis of the maturity of loans is given below:

	31.3.23	31.3.22
	£	£
Amounts falling due within one year on demand:		
Bank loans	38,718	38,718
	<u>38,718</u>	<u>38,718</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	38,718	38,718
	<u>38,718</u>	<u>38,718</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	123,152	123,152
	<u>123,152</u>	<u>123,152</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	177,940	215,135

The long-term loans are secured by fixed charges over the property St Andrew's House, 19 St Andrew's Road, Coventry, CV5 6FP.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	31.3.23	31.3.22
	funds	funds	Total	Total
	£	£	funds	funds
	£	£	£	£
Fixed assets	1,676,914	-	1,676,914	1,701,246
Current assets	457,932	-	457,932	469,447
Current liabilities	(97,034)	-	(97,034)	(106,579)
Long term liabilities	(339,810)	-	(339,810)	(377,005)
	<u>1,698,002</u>	<u>-</u>	<u>1,698,002</u>	<u>1,687,109</u>

St Andrew's House

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

20. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	1,543,909	(12,009)	46,102	1,578,002
Designated funds	120,000	-	-	120,000
	<u>1,663,909</u>	<u>(12,009)</u>	<u>46,102</u>	<u>1,698,002</u>
Restricted funds				
Renewal of underfloor heating system	12,200	15,000	(27,200)	-
Kitchen Refurbishment	10,000	7,652	(17,652)	-
Repairs to Green Room	1,000	(1,000)	-	-
Lounge Chairs	-	1,250	(1,250)	-
	<u>23,200</u>	<u>22,902</u>	<u>(46,102)</u>	<u>-</u>
TOTAL FUNDS	<u>1,687,109</u>	<u>10,893</u>	<u>-</u>	<u>1,698,002</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,285,508	(1,297,517)	(12,009)
Restricted funds			
Christmas	1,900	(1,900)	-
Renewal of underfloor heating system	15,000	-	15,000
Kitchen Refurbishment	7,652	-	7,652
Repairs to Green Room	-	(1,000)	(1,000)
Garden furnishings	500	(500)	-
Hog Roast	1,000	(1,000)	-
Lounge Chairs	1,250	-	1,250
Vacuum Cleaner	150	(150)	-
Website Upgrade	417	(417)	-
	<u>27,869</u>	<u>(4,967)</u>	<u>22,902</u>
TOTAL FUNDS	<u>1,313,377</u>	<u>(1,302,484)</u>	<u>10,893</u>

St Andrew's House

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	1,673,553	(135,485)	5,841	1,543,909
Designated funds	120,000	-	-	120,000
	<u>1,793,553</u>	<u>(135,485)</u>	<u>5,841</u>	<u>1,663,909</u>
Restricted funds				
Coventry City Council - Infection Prevention and Control Grant	-	3,807	(3,807)	-
Purchase of Computer Equipment	-	2,034	(2,034)	-
Renewal of underfloor heating system	-	12,200	-	12,200
Kitchen Refurbishment	-	10,000	-	10,000
Repairs to Green Room	-	1,000	-	1,000
	<u>-</u>	<u>29,041</u>	<u>(5,841)</u>	<u>23,200</u>
TOTAL FUNDS	<u>1,793,553</u>	<u>(106,444)</u>	<u>-</u>	<u>1,687,109</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	943,014	(1,078,499)	(135,485)
Restricted funds			
Coventry City Council - Infection Prevention and Control Grant	47,476	(43,669)	3,807
Purchase of Computer Equipment	2,034	-	2,034
Renewal of underfloor heating system	12,200	-	12,200
Kitchen Refurbishment	10,000	-	10,000
Repairs to Green Room	1,000	-	1,000
Redecoration of Dining Room	1,000	(1,000)	-
	<u>73,710</u>	<u>(44,669)</u>	<u>29,041</u>
TOTAL FUNDS	<u>1,016,724</u>	<u>(1,123,168)</u>	<u>(106,444)</u>

Designated funds

The income funds of the charity include a designated fund which has been set aside out of unrestricted funds by the trustees for specific purposes:

- Operating costs and overheads reserve
- Designated reserves of two months operating costs

Restricted funds

The income funds of the charity include restricted funds comprising the following:

- Christmas
- £1,900 donated towards the cost of purchasing Christmas presents for all the residents and staff.

St Andrew's House

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

20. MOVEMENT IN FUNDS - continued

- Renewal of the underfloor heating system
A further £15,000 was donated towards the cost of repairing the underfloor heating system in the home.
This was in addition to the balance of unspent funds of £12,200 brought forward from the prior year.
- Kitchen Refurbishment
A further £7,652 was donated towards the cost of purchasing new Kitchen equipment.
This was in addition to the balance of unspent funds of £10,000 brought forward from the prior year.
- Garden Furnishings
The home was left a restricted legacy of £500 in the estate of a former resident, for expenditure on the Garden.
- Hog Roast
£1,000 donated to contribute towards the costs of the annual Hog Roast held for the residents and their families.
- Lounge Chairs
£1,250 donated towards the cost of purchasing new chairs for the lounge.
- Vacuum Cleaner
£150 donated towards the cost of purchasing a new domestic style vacuum cleaner.
- Website Upgrade
£417 donated towards the cost of upgrading the website for the home.

The transfers made during the current and previous years relate to where incoming resources received relate to the acquisition of fixed assets. These amounts are transferred to unrestricted funds after the assets have been acquired, thus discharging the restriction.

21. RELATED PARTY DISCLOSURES

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2023	2022
	£	£
Aggregate compensation	<u>115,187</u>	<u>114,228</u>

Transactions with related parties

During the year donations of £6,069 (2022: £13,558) were received from trustees represented by:

	£
Unrestricted Funds	750
Restricted Funds:	
Christmas Presents for all staff and residents	1,900
Purchase of new Freezer	1,652
Hog Roast	1,000
Website Upgrade	417
Purchase of new Lounge Chairs	200
Purchase of new Vacuum Cleaner	150
	<u>6,069</u>

St Andrew's House

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

22. AUDITOR LIABILITY LIMITATION AGREEMENT

Auditors Liability is limited to a maximum of twenty-five times the fee relating to the audit engagement.

The trustees approved the agreement on 1 May 2022.

St Andrew's House

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2023**

	31.3.23 £	31.3.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	35,105	38,059
Legacies	500	-
Grants	-	47,476
	35,605	85,535
Investment income		
Rents received	24,028	22,199
Deposit account interest	1,517	40
	25,545	22,239
Charitable activities		
Residential care provision	1,252,227	908,950
Total incoming resources	1,313,377	1,016,724
EXPENDITURE		
Charitable activities		
Wages	854,724	743,019
Social security	41,206	37,383
Pensions	12,494	11,372
Rates and water	4,040	3,478
Light and heat	30,807	28,613
Telephone	-	5,202
Postage and stationery	1,904	2,413
Advertising	1,247	5,333
Sundries	22,777	20,294
Laundry and cleaning	27,009	23,018
Refurbishment	82,247	83,642
Household and garden	4,686	3,501
Staff training	3,905	4,055
Activity costs	3,793	3,536
Insurance	16,762	11,024
Food	70,672	49,374
Freehold property	54,401	54,401
Improvements to property	3,441	3,441
Fixtures and fittings	25,260	22,502
Loss on sale of tangible fixed assets	2,103	2,166
Bank charges and interest	20,819	13,350
	1,284,297	1,131,117
Other		
Exceptional items	-	(19,832)

This page does not form part of the statutory financial statements

St Andrew's House

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2023**

	31.3.23 £	31.3.22 £
Support costs		
Management		
Wages	7,286	6,307
Governance costs		
Auditors' remuneration	4,620	4,200
Legal and professional	6,281	1,376
	<u>10,901</u>	<u>5,576</u>
Total resources expended	<u>1,302,484</u>	<u>1,123,168</u>
Net income/(expenditure)	<u><u>10,893</u></u>	<u><u>(106,444)</u></u>