

EOTHEN HOMES LIMITED

England & Wales · Charity number 223262

Details

Status	Registered
Legal form	Charitable company
Company number	00482334
Registered	1963-04-29
Register	View on the Charity Commission register

Contact

Address	Eothen Homes Ltd 15 Berrymoor Court Northumberland Business Park Cramlington NE23 7RZ
Phone	01912819100
Email	enquiries@eothenhomes.org.uk
Website	www.eothenhomes.org.uk

Activities

Objects: TO PROVIDE CARE FOR ELDERLY PERSONS, WITHIN A CHRISTIAN FRAMEWORK AND ETHOS (AS DESCRIBED IN THESE ARTICLES), BY THE FOLLOWING MEANS: - PROVIDING APPROPRIATE ACCOMMODATION, ITEMS, SERVICES OR FACILITIES CALCULATED TO RELIEVE THE NEEDS OF SUCH PERSONS, AND - BY THE PROVISION OF CARERS AND BY THE PROVISION OF REGULAR SUPPORT AND TRAINING FOR SUCH CARERS.

Activities: To provide care for elderly persons, within a Christian framework and ethos (as described in these Articles), by the following means:- Providing appropriate accommodation, items, services or facilities calculated to relieve the needs of such persons, and- By the provision of carers and by the provision of regular support and training for such carers.

Classification

- **How:** Provides Services
- **What:** Accommodation/housing
- **Who:** Elderly/old People

Geography

- **Area of benefit:** NATIONAL
- Newcastle Upon Tyne City
- North Tyneside
- Surrey

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£6,527,366	£5,879,617	£13,620,036	176
2024-03-31	£6,047,164	£5,386,058	£13,020,581	157
2023-03-31	£5,422,688	£4,775,580	£12,265,688	153
2022-03-31	£6,381,991	£4,400,618	£11,644,678	161
2021-03-31	£5,408,072	£5,167,278	£9,663,305	211

Trustees

Name	Role	Appointed
IAN DAVID THOMSON	Chair	
ALEXANDER LINDSAY MCILHINNEY		
Dr Alexander van den Bos		2018-07-18
Dr SAMEH MISHREKI		2012-07-23
LOUISE MARSH		
MAUREEN ERNY		
PROFESSOR ALAN JEFFREY THOMAS		2019-11-12
Richard Rust		2024-07-18

EOTHEN HOMES LIMITED

England & Wales - Charity number 223262

Accounts

Charity registration number 223262 (England and Wales)

Company registration number 00482334

EOTHEN HOMES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

EOTHEN HOMES LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr I D Thomson Professor A Thomas Dr A Van Den Bos Dr S Mishreki Mr A McIlhinney Ms M Erny Ms L Marsh
Chief Executive	Mrs J M Hearl
Company Secretary	Mrs B Wilson
Charity number	223262
Company number	00482334
Registered office	15 Berrymoor Court Northumberland Business Park Cramlington Northumberland England NE23 7RZ
Auditor	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle upon Tyne Tyne and Wear England NE2 1TJ
Bankers	Barclays Bank Plc Wingrove Newcastle West Group Newcastle upon Tyne

EOTHEN HOMES LIMITED

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EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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 1 to the financial statements and comply 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).

Objectives and activities

Ethos, values, aims and objectives

Eothen Homes is a respected and trusted well-established Christian charity founded in 1950. The Charity's objects ("the Objects") are to provide care for elderly persons, within a Christian framework and ethos. Our aim is to provide quality residential care and support, showing compassion and understanding, and providing a homely environment with safe, quality accommodation in which residents are treated with dignity and respect.

Care provided is flexible and individualised to meet physical, emotional, spiritual and social needs. Residents are encouraged to live life to the full, and enjoy a lifestyle based on each person's abilities, interests and life history.

We regard our employees as our greatest asset and base recruitment on our values to ensure we employ those who genuinely care. We continually invest in training and professional development to ensure staff are experienced, dedicated and skilled.

Our Values

Empathy: We will aim to understand other people's experiences and what is important to them, showing Christian commitment, compassion, love and kindness.

Openness: We will open our doors and our hearts, be approachable, accept others and always listen to feedback.

Trustworthiness: We will act with integrity and transparency in everything we do and provide a safe and secure environment.

Honesty: We will work together to act truthfully and promote open and honest communication.

Equality: We will treat everyone with respect and courtesy, promoting fair and inclusive practice.

Nurturing: We will value and respect everyone, creating a sense of belonging in a caring, safe and happy environment where people are supported to achieve their full potential.

Objectives for the year ending 31st March 2025

Ensuring the care we provide is exceptional and of a consistently high standard, which is flexible to meet the increasing needs, expectations and demands of our residents and their families. Resident dependency and occupancy will be continually monitored alongside the staffing ratio which is increased or decreased as required to ensure appropriate levels of staff are maintained.

To maintain good occupancy which will increase the forecast surplus, support cash reserves and boost the maintenance fund to reinvest in our existing homes and fund a new development. We are actively looking for future projects and development opportunities in either residential or dementia care in the North East of England and neighbouring areas. Our aim is to replace existing homes with modern purpose-built facilities which will benefit and support the ageing population and those living with dementia.

Resident fees to be reviewed and increased in line with forecast expenditure and any changes to staff numbers, ensuring we remain competitive.

To implement 'Cool care' an electronic care home administration system which will replace our existing payroll system and integrate with Nourish, our electronic care planning system, to streamline home, staff and resident records. Biometric sign in and a staff portal is included to enable staff to book overtime, training and request holidays, which will be a more efficient way to communicate with our workforce.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Objectives for the year (cont.)

Our Compliance and Home Managers will focus on resident care and experiences to prepare for the changes to the CQC Inspection Framework. Provide training and support for our electronic systems to utilise it to its full potential and provide 'Under Our Wing', our own bespoke dementia training to our residential homes.

To develop the project co-ordinator role to manage the refurbishment program to maintain the quality of accommodation currently provided and to improve facilities which will provide more varied and stimulating areas in the gardens, where the residents can be involved and have opportunities to share ideas.

Strategies employed to achieve objectives

The trustees and senior management team continue to review the performance of the charity and plan for the future, we aim to ensure the organisation is secure and able to develop, whilst remaining a manageable size, so that quality of care is not compromised and the charity's aims, objectives and values continue to be met.

Eothen currently has the capacity to provide 24 hour person centered care and support for 135 individuals, 71 residential care, and 64 specialist dementia care. Our homes are located at Gosforth, Whitley Bay and Wallsend and are purpose built. Our specialist facility at Wallsend provides small scale household living using the 'butterfly model of care', designed to provide freedom and choice for those living with dementia.

We offer full and varied activity programmes which are aligned with our Ethos and Values and we employ activity co-ordinators at our homes to ensure that we provide Christian fellowship and Pastoral Support to meet the needs of each individual. We have good relationships with local universities, colleges and schools. We offer work experience and student nurse placements, along with nursery school children who are also regular visitors.

We aim for our residents to live at Eothen as long as possible, working with health care professionals to provide end of life care and full support for both the residents and their families. Respite care is provided if rooms are available, as well as day care for those in the community who may be lonely and need extra support.

We are committed to staff training and development facilitated by a full time Training and Development manager who ensures compliance with mandatory and bespoke training. Our staff receive training specifically regarding their home and residents which enables us to provide consistent standards and be more responsive to individual training needs. Staff will be encouraged to participate in research activities and to have a greater understanding of how life in care homes can be improved for residents, relatives and staff.

Our values and our Christian Ethos are embedded in staff induction and training. Managers will ensure that staff are well supported through regular observations, supervision and appraisals. We provide extra staff to cover sickness absence, holidays and staff vacancies with the aim of eliminating the use of agency staff.

Managers will promote Eothen and continue to network in their local community to increase awareness of the charity, as well as developing ways to attract residents and staff, including effective and well placed marketing and advertising.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Achievement and performance

Charitable activities

Our Christian Ethos and Values continue to be embedded throughout the organisation and we continue to build on our excellent reputation. This is evidenced by receiving outstanding feedback and ratings on the carehome.co.uk website, with Eothen being voted as one of the top 20 in the region for 2025. Wallsend has achieved a 10/10 rating, and Gosforth and Whitley Bay with 9.9. Several cash donations have also been received at Gosforth in recognition of the care provided by the staff.

A good level of occupancy has been achieved at all homes and we have had a steady stream of enquiries and each home has produced a surplus. We have also maintained grade 5 with Environmental Health and grade 1 with Local Authorities.

Recruitment and retention issues have improved as staff pay was increased and our hourly pay rates are well above the Real Living Wage. We aim to stay ahead of our competitors and reward our existing staff for their hard work and commitment. The 'Refer a Friend Scheme' continues and staff turnover has increased slightly from the previous year and we have employed a total of 47 new employees. We also continue to offer good terms and conditions of employment, training opportunities, personal development and career progression, with several staff being promoted.

A new apprentice scheme was introduced in September to invest in the future generation of carers by attracting younger people into a career in care.

We successfully implemented an electronic care home management system which integrates with our existing payroll system which has streamlined resident and staff records, duty rotas and holiday records.

We have been involved with five research projects in 2024. DACHA – Developing resources and minimum data set for care homes, FINCH – Falls in care homes, SONNET (under ENRICH) – looking at social connections. Care & Research North East is a 3 year project working with Newcastle University supporting research in adult social care to improve practice and outcomes for people using care services.

We also took part in the AFRI-c Air Filter study, which gathered data for the winter period Sept 23 to May 24, on whether HEPA air filters can reduce symptomatic winter respiratory infections (coughs, colds, flu and COVID -19) in care home residents. We received a substantial payment for taking part and gift vouchers for each home.

A new Home Manager was employed at our Whitley Bay home in December, 2024. Staff in all of our homes have participated in 'Under Our Wing' bespoke training that encapsulates the butterfly model of care.

Progress has been made with the refurbishment program with windows replaced in the lounge at Gosforth and patio doors fitted to 6 resident's rooms at Whitley Bay and in the dining room. The office at Gosforth has also been refurbished and re-designed with fitted furniture.

Food recycling commenced at the end of the year, prior to changes in the food Waste Regulations due in March, 2025, demonstrating Eothen's commitment to reduction of waste and protecting the environment.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Key performance indicators

1. Occupancy – We aim for good occupancy at all homes and measure actual occupancy against forecast for the year. Actual total occupancy for the year was 96% and higher than the forecast 95%.
2. Financial surplus – We have achieved a cash surplus for each home this year.
3. Resident & Relative satisfaction - We aim to achieve a customer satisfaction score in excess 80%. In 2024 we achieved 89.4%, which is down by 3% on the previous year.
4. Feedback and reviews can be found on www.carehome.co.uk. Our group rating for 2024 was 10/10 and we continue to be one of the top 20 small care home groups in the UK, receiving some outstanding comments, especially Wallsend which achieved a top score of 10.
5. Employee satisfaction – We aim to achieve an overall staff satisfaction rate from annual questionnaires of over 80%. In 2024, the results showed 91.5% satisfaction, down 3.5%.

Public Benefit

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and are confident that Eothen can continue to meet the public benefit now and into the future in the following ways:

Providing care and accommodation for all. We accept those who are fully self-funded and those who are partially or fully subsidised by other means, such as the local authority and the NHS, which provides continuing health care.

Residents pay an economic fee for their care, some of which may be partially or fully payable by a local authority. At Wallsend the local authority fee rate is substantially lower than the cost of care and a third party top up is requested for Local Authority funded residents to help bridge the gap.

Our Ethos is one of inclusion and in practical terms we are committed to equality and diversity, welcoming residents and staff from different backgrounds and communities. Residents are encouraged to join in activities in the homes and, where able, in the local community, where each individual can maintain his or her own interests and faith.

We are approved to provide placements for student nurses from Northumbria University and work experience for health and social care students from local colleges. Students are able to participate and experience good quality care of the elderly and can learn and develop new skills and knowledge to benefit their future careers in the care sector, especially with our model of care for those living with dementia.

We are working with Newcastle University on various research projects within social care, sharing knowledge, participating in trials and working with other providers to improve care of older people and those living with dementia.

Eothen Homes does not actively raise funds but all donations are welcome and are used directly for the benefit of our residents, usually for activity equipment, garden furniture or specific projects.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Financial Review

Reserves policy

The trustees have considered the level of reserves which should be maintained by the charity and this is reviewed at board meetings. Reserves may be needed to cover unexpected shortfalls in charitable income and other contingencies.

Undesignated free reserves (excluding capital assets) as at 31 March 2025 amounted to £4,659,574. The Trustees consider this level of free reserves to be adequate to support the operation of the three homes for the foreseeable future.

The charity has revised the investment policy to include some medium term investments, and in 2022 placed £1m with Edentree Investment Management and £1m with Redmayne Bentley Investment Management and Stock Brokers. Other funds are on deposit in term accounts, maturing at various dates throughout the year giving predictable access to funds. The trustees consider that £500,000 is a sufficient minimum financial reserve.

The Trustees ceased the depreciation of buildings in 2002 and established the Planned Maintenance Fund. The fund is topped up by an annual transfer of 2% of fee income generated by all homes. Planned works such as decoration and general refurbishment of the homes are funded from this. In the event of major works, an additional transfer from undesignated free reserves may be agreed.

The balance on the planned maintenance fund is £394,416 which along with the transfer from fees is considered adequate to fund the planned expenditure in the coming year. The Trustees monitor the level of this fund on an annual basis.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

Ensuring the care we provide is exceptional and of a consistently high standard, which is flexible to meet the increasing needs, expectations and demands of our residents and their families. Resident dependency and occupancy will be continually monitored alongside the staffing ratio which is increased or decreased as required to ensure appropriate levels of staff are maintained.

To maintain good occupancy which will increase the forecast surplus, support cash reserves and boost the maintenance fund to reinvest in our existing homes and fund a new development. Continue to network and research any future projects or development opportunities in either residential or dementia care in the North East of England and neighbouring areas.

Resident fees will be reviewed annually and increased in line with forecast expenditure and any changes to staff numbers.

We will continue in our commitment to developing our staff by including them in our research work, ensure they receive regular training and support and provide attractive pay rates and terms and conditions of employment. Our recruitment and induction procedures are regularly reviewed to ensure they are effective and relevant. We aim to be fully staffed and reduce agency costs which includes staff working at all of our homes.

We will employ a part time Pastoral Support role to support both residents and staff at all homes. We will also include residents and relatives in the recruitment process and gather feedback from them for new staff within their probationary period.

We will focus on updating the décor and facilities at each home, implementing lounge/diner areas to provide a more home from home environment, supporting resident independence and enhancing visitor experience. The gardening team will develop some areas of the gardens to provide more areas of interest and additional seating areas.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management

Governing document

Eothen Homes Limited is a Company limited by guarantee, governed by Articles of Association adopted on 13 December 2017 (previously governed by the Memorandum and Articles of Association dated 8 May 1950, amended on 27 September 1988 and 10 May 2010). The Company's registration number is 0482334. It is registered as a charity with the Charity Commission, number 223262. There are currently eight members, each of whom agrees to contribute £1 in the event of the charitable company being wound up.

The charity's object and principal activity (as described in the articles) is:

"to provide care for elderly persons within a Christian Framework and Ethos", by the following means:

Providing appropriate accommodation, items, services or facilities calculated to relieve the needs of such persons, and by the provision of carers and by the provision of regular support and training for such carers."

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:

Mr I D Thomson

Professor A Thomas

Dr A Van Den Bos

Dr S Mishreki

Mr A McIlhinney

Ms M Erny

Ms L Marsh

Recruitment and appointment of new trustees

The board consists of voluntary trustees, (members/directors), who are committed Christians and adhere to the Evangelical Alliance's statement of faith. Trustees have statutory responsibilities and ensure they follow the Charity Commission Code of Governance. In line with Charity requirements, the Directors do not draw any remuneration or benefit other than expenses to carry out their duties. Trustees visit the homes when possible to keep up to date and to provide opportunities to meet residents and staff. They also attend briefings and training courses as appropriate and benefit from training and experience from other charities they are involved in.

The recruitment process follows charity commission guidelines to ensure there is an appropriate range of skills, knowledge and experience amongst its members. Existing trustees approach candidates who are invited to attend a Trustee meeting, initially as an observer. If they are considered suitable for the role of trustee, the relevant checks and references are obtained before being invited to join the board.

New Trustees are given an induction pack which includes constitutional documents, our annual business plan, risk register, governance information and any other information relevant to the work of the charity. All members receive a copy of the 'Governance' magazine in order to keep them up to date with their role and responsibilities and are directed to read the Charities Commission Governance code.

The number and skills of trustees have been reviewed and it has been identified that we would benefit from the recruitment of some new trustees, preferably with expertise in finance, senior business management and law. Advertising leaflets have been designed to reach out to any potential trustees and distributed to local churches and businesses with who we have close working connections in the North East.

Trustees are appointed for a three year term, after which time they are invited to stand for re-election.

In 2024, I Thomson, L Marsh, A McIlhinney, S Mishreki and A Van den Bos were re-elected and Richard Rust was appointed as trustee in July.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Organisational structure

The board of trustees have responsibility for the overall leadership and direction of the charity and the day to day operation of the charity and its services is delegated to the Chief Executive and her team. The trustees meet at least three times per year and in between meetings there is regular contact with the CEO, Chair of trustees and other trustees as appropriate. Trustees are provided with financial reports quarterly to enable them to review and approve long term objectives, strategy, policies, budget and compliance with the Charity Commissions' Governance code.

Employees

We are an equal opportunities organisation, committed to providing a happy, safe and comfortable environment for all staff, volunteers and students. We aim to recruit staff who will embrace our Christian ethos, values and model of care.

We employ 165 staff and are also supported by families, friends and volunteers from the local community. We are committed to providing good terms and conditions of employment for all staff.

We provide bespoke in-house training, personal development and career opportunities. We will communicate, consult with, and listen to our staff, providing regular opportunities to provide feedback through questionnaires, individual reviews and meetings.

Risk management

The trustees review strategic risk regularly. A comprehensive risk register is maintained which is subject to review at board meetings. The risk register identifies risks likely to affect the charity's ability to meet its aims and objectives in areas of Governance and Management, Financial and Legal, Regulatory Compliance and any other external factors. Systems and policies are in place to reduce or mitigate any risk and these are monitored and appropriate actions taken if required.

The risk register has been reviewed for the coming year with only minor amendments made. Recruitment issues and staff shortages continue to be a higher risk. However, the charity remains in strong financial position and the financial forecast for the year ahead is good.

Financial Risk management

Eothen operates robust and secure financial systems with safe accounting procedures in place. The trustees are aware of their duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Financial risks are identified as part of the annual business review process and are monitored on a regular basis. Financial performance is reported to the trustees by the finance manager, which may be subject to further scrutiny as determined by the board.

Statement of trustees' responsibilities

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

Auditor

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

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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, including the strategic report, was approved by the Board of Trustees.

I. D. Thomson

Mr I D Thomson

Trustee

Date: *6 AUG 2025*

EOTHEN HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EOTHEN HOMES LIMITED

Opinion

We have audited the financial statements of Eothen Homes Limited (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 and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

EOTHEN HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF EOTHEN HOMES LIMITED

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 strategic report or 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.

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.

The risk of material misstatement due to error or fraud has been assessed in conjunction with how internal controls may mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Analytical review and substantive testing is also performed on all material balances and therefore any instances of non-compliance should be identified or considered as insignificant. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team;

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework, in which the charity operates and how the charity complies with that legal and regulatory framework
- inquired with management and those charged with governance about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud
- discussed with management and those charged with governance any non-compliance with laws and regulations and how fraud might occur including assessments of how and where the financial statements may be susceptible to fraud.

The risk of management override of controls was also considered an area of potential misstatement due to fraud. Audit procedures performed included testing of manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

EOTHEN HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF EOTHEN HOMES LIMITED

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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.



Nicholas Cunningham MSc BSc ACCA (Senior Statutory Auditor)

For and on behalf of Robson Laidler Accountants Limited, Statutory Auditor

Chartered Accountants

Fernwood House

Fernwood Road

Jesmond

Newcastle upon Tyne

Tyne and Wear

NE2 1TJ

England

Date: 19.8.2025

EOTHEN HOMES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from:			
Donations and legacies	2	19,312	34,445
Charitable activities		6,388,639	5,881,693
Investments		119,415	131,026
Total income		6,527,366	6,047,164
Expenditure on:			
Charitable activities	3	5,879,617	5,386,058
Total expenditure		5,879,617	5,386,058
Net gains/(losses) on investments		(48,294)	93,787
Net movement in funds	5	599,455	754,893
Reconciliation of funds:			
Fund balances at 1 April 2024		13,020,581	12,265,688
Fund balances at 31 March 2025		13,620,036	13,020,581

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

EOTHEN HOMES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	9	8,566,046		8,572,995	
Investments	10	2,137,720		2,089,520	
		<u>10,703,766</u>		<u>10,662,515</u>	
Current assets					
Debtors	11	131,982		109,709	
Cash at bank and in hand		3,186,138		2,634,130	
		<u>3,318,120</u>		<u>2,743,839</u>	
Creditors: amounts falling due within one year	12	(401,850)		(385,773)	
Net current assets		<u>2,916,270</u>		<u>2,358,066</u>	
Total assets less current liabilities		<u>13,620,036</u>		<u>13,020,581</u>	
The funds of the charity					
Unrestricted funds		<u>13,620,036</u>		<u>13,020,581</u>	
		<u>13,620,036</u>		<u>13,020,581</u>	

The financial statements were approved by the trustees on

I.D. Thomson

Mr I D Thomson

Trustee

Company registration number 00482334 (England and Wales)

EOTHEN HOMES LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	18		551,320		558,005
Investing activities					
Purchase of tangible fixed assets		(22,233)		(25,696)	
Purchase of investments		(138,114)		(128,404)	
Proceeds from disposal of investments		41,620		45,675	
Investment income received		119,415		131,026	
Net cash generated from investing activities			688		22,601
Net cash generated from financing activities			-		-
Net increase in cash and cash equivalents			552,008		580,606
Cash and cash equivalents at beginning of year			2,634,130		2,053,524
Cash and cash equivalents at end of year			3,186,138		2,634,130

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Eothen Homes Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 15 Berry Moor Court, Northumberland Business Park, Cramlington, Northumberland, NE23 7RZ, England.

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. 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 funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds are funds set aside by the Trustees out of unrestricted funds for specific future purpose or projects.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

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.

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

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
Fixtures and fittings	15% on cost
Computers	33% on cost

Freehold land and buildings are in constant use in furtherance of the charitable objectives and are maintained to a standard to ensure that their residual value is not less than the book value. Depreciation is therefore not provided on the basis that the assets have a very long useful life and the amount of any annual depreciation would be immaterial.

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. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in profit and loss.

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 Taxation

The charities activities fall within the exemptions afforded by the provisions of The Corporation Taxes Act 2010. Accordingly, there is no taxation charge in these accounts.

1.11 Retirement benefits

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

1.12 Short term debtors and creditors

Debtors and creditors with no interest rate which are receivable or payable within one year are recorded at transaction price. Any loss arising from impairment are recognised immediately in profit and loss.

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

2 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	2,884	3,201
Grants	16,428	31,244
	<u>19,312</u>	<u>34,445</u>

3 Expenditure on charitable activities

	Residential care 2025 £	Residential care 2024 £
Direct costs		
Staff costs	3,816,044	3,442,219
Depreciation and impairment	29,182	32,830
Rates and water	28,916	36,969
Insurance	56,277	68,755
Light and heat	303,283	286,869
Telephone, stationery & advertising	36,282	34,276
Sundries	20,003	34,838
Food	284,802	270,297
China, utensils, linen and soft furnishings	13,949	21,389
Employment Agency	96,872	126,890
Repairs and maintenance	485,304	324,094
Gardening	16,346	28,117
Cleaning and waste disposal	80,489	74,643
Travel, subsistence and training	14,714	18,002
Legal and professional	5,446	15,460
Registration fees	20,849	20,850
Occupational therapy	24,766	16,600
	<u>5,333,524</u>	<u>4,853,098</u>
Share of support and governance costs (see note 4)		
Support	538,953	527,010
Governance	7,140	5,950
	<u>5,879,617</u>	<u>5,386,058</u>
Analysis by fund		
Unrestricted funds	<u>5,879,617</u>	<u>5,386,058</u>

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

4 Support costs allocated to activities

	Residential care 2025 £	Total 2024 £
Staff costs	454,421	433,396
Property expenses	37,183	44,327
Motor and travel costs	19,055	18,857
Legal and professional fees	8,215	12,267
Communication and information	8,276	8,536
Office expenses	2,967	2,796
Bank charges	8,836	6,831
Governance	7,140	5,950
	<u>546,093</u>	<u>532,960</u>

5 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	7,140	5,950
Depreciation of owned tangible fixed assets	<u>28,949</u>	<u>32,830</u>

6 Trustees

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

7 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Residential	168	150
Central management and administration	<u>8</u>	<u>7</u>
Total	<u>176</u>	<u>157</u>

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

7 Employees (Continued)

Employment costs	2025 £	2024 £
Wages and salaries	3,865,582	3,585,664
Social security costs	308,008	231,373
Other pension costs	96,875	58,578
	<u>4,270,465</u>	<u>3,875,615</u>

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

	2025 Number	2024 Number
£60,001 to £70,000	1	-
£70,001 to £80,000	-	1
£90,001 to £100,000	1	-
	<u>1</u>	<u>1</u>

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	<u>189,772</u>	<u>190,737</u>

8 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 April 2024	8,638,197	772,251	11,940	9,422,388
Additions	-	22,232	-	22,232
Disposals	-	(4,205)	-	(4,205)
At 31 March 2025	8,638,197	790,278	11,940	9,440,415
Depreciation and impairment				
At 1 April 2024	163,293	674,160	11,940	849,393
Depreciation charged in the year	-	28,949	-	28,949
Eliminated in respect of disposals	-	(3,973)	-	(3,973)
At 31 March 2025	163,293	699,136	11,940	874,369
Carrying amount				
At 31 March 2025	8,474,904	91,142	-	8,566,046
At 31 March 2024	8,474,904	98,091	-	8,572,995

10 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2024	2,089,520
Additions	138,114
Valuation changes	(48,294)
Disposals	(41,620)
At 31 March 2025	2,137,720
Carrying amount	
At 31 March 2025	2,137,720
At 31 March 2024	2,089,520

11 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	62,709	49,177
Prepayments and accrued income	69,273	60,532
	<u>131,982</u>	<u>109,709</u>

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

12 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	63,983	78,192
Trade creditors	88,276	81,240
Other creditors	19,031	21,546
Accruals and deferred income	230,560	204,795
	<u>401,850</u>	<u>385,773</u>

13 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>96,875</u>	<u>58,578</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

14 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 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
Planned maintenance fund	448,988	-	(182,363)	127,791	-	394,416
Capital fund	8,572,995	-	-	(6,949)	-	8,566,046
General funds	3,998,598	6,527,366	(5,697,254)	(120,842)	(48,294)	4,659,574
	<u>13,020,581</u>	<u>6,527,366</u>	<u>(5,879,617)</u>	<u>-</u>	<u>(48,294)</u>	<u>13,620,036</u>
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2024 £
Planned maintenance fund	424,248	-	(92,894)	117,634	-	448,988
Capital fund	8,580,131	-	-	(7,136)	-	8,572,995
General funds	3,261,309	6,047,164	(5,293,164)	(110,498)	93,787	3,998,598
	<u>12,265,688</u>	<u>6,047,164</u>	<u>(5,386,058)</u>	<u>-</u>	<u>93,787</u>	<u>13,020,581</u>

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

15 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

16 Purpose of Designated Funds

The planned maintenance fund has been set aside out of the unrestricted funds by the Trustees for future planned maintenance costs at the homes. The capital fund represents the value of the functional fixed assets held by the charity, net of borrowing. The Trustees consider that these assets form the core assets from which the charity operates and therefore do not consider them to be available to fund the day to day activities of the charity.

17 Company Limited by Guarantee

Eothen Homes Limited is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amounts as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

18	Cash generated from operations	2025 £	2024 £
	Surplus for the year	599,455	754,893
	Adjustments for:		
	Investment income recognised in statement of financial activities	(119,415)	(131,026)
	Fair value gains and losses on investments	48,294	(93,787)
	Depreciation and impairment of tangible fixed assets	29,182	32,830
	Movements in working capital:		
	(Increase) in debtors	(22,273)	(42,163)
	Increase in creditors	16,077	37,258
	Cash generated from operations	<u>551,320</u>	<u>558,005</u>

19 Analysis of changes in net funds

The charity had no material debt during the year.

EOTHEN HOMES LIMITED

England & Wales - Charity number 223262

Accounts

Charity registration number 223262

Company registration number 00482334 (England and Wales)

EOTHEN HOMES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

EOTHEN HOMES LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr I D Thomson Professor A Thomas Dr A Van Den Bos Dr S Mishreki Mr A McIlhinney Ms M Erny Ms L Marsh
Chief Executive	Mrs J M Hearl
Company Secretary	Mrs B Wilson
Charity number	223262
Company number	00482334
Registered office	15 Berry Moor Court Northumberland Business Park Cramlington Northumberland England NE23 7RZ
Auditor	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle upon Tyne Tyne and Wear England NE2 1TJ
Bankers	Barclays Bank Plc Wingrove Newcastle West Group Newcastle upon Tyne

EOTHEN HOMES LIMITED

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EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

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 1 to the financial statements and comply 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).

Objectives and activities

Ethos, values, aims and objectives

Eothen Homes is a respected and trusted well-established Christian charity founded in 1950. The Charity's objects ("the Objects") are to provide care for elderly persons, within a Christian framework and ethos. Our aim is to provide quality residential care and support, showing compassion and understanding, and providing a homely environment with safe, quality accommodation in which residents are treated with dignity and respect.

Care provided is flexible and individualised to meet physical, emotional, spiritual and social needs. Residents are encouraged to live life to the full, and enjoy a lifestyle based on each person's abilities, interests and life history.

We regard our employees as our greatest asset and base recruitment on our values to ensure we employ those who genuinely care. We continually invest in training and professional development to ensure staff are experienced, dedicated and skilled.

Our Values

Empathy: We will aim to understand other people's experiences and what is important to them, showing Christian commitment, compassion, love and kindness.

Openness: We will open our doors and our hearts, be approachable, accept others and always listen to feedback.

Trustworthiness: We will act with integrity and transparency in everything we do and provide a safe and secure environment.

Honesty: We will work together to act truthfully and promote open and honest communication.

Equality: We will treat everyone with respect and courtesy, promoting fair and inclusive practice.

Nurturing: We will value and respect everyone, creating a sense of belonging in a caring, safe and happy environment where people are supported to achieve their full potential.

Objectives for the year ending 31st March 2024

Home Managers to ensure high standards are achieved and maintained and the care provided is flexible to meet the increasing needs, expectations and demands of our residents and their families. Resident dependency and occupancy will be continually monitored alongside the staffing ratio which will be increased or decreased as required to ensure appropriate levels of staff are maintained.

To achieve good occupancy to increase the forecast surplus, which will support cash reserves and boost the maintenance fund to either reinvest in our existing homes or a new development. Trustees to consider a new investment strategy to increase the return on funds held.

Develop a refurbishment program, with a focus on our Gosforth home in the year ahead. Refreshing the décor and updating some of the furniture, carpet and curtains. Further investment to be planned for the gardens at all homes to provide a more varied and stimulating environment where the residents are more involved and have opportunities to share ideas and help out.

Staff pay and resident fees to be reviewed for the year ahead, taking into account any increase in the Real Living Wage and any additional staff employed. The increasing cost of fuel, utility and food costs and any potential risks caused by international conflict will also be taken into account. In some cases the staff/resident ratio at one or all of our homes will need to be increased for residents with higher dependency.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Objectives for the year (cont.)

Research an electronic care home management system which is compliant with our existing payroll system to streamline resident, staff, duty rotas and holiday records.

To employ a senior activity person to co-ordinate events over all three homes and review activity provision with consideration given to increasing activities and events and provide more areas of interest around the homes.

Staff at our dementia home to participate in 'Under Our Wing' bespoke training that encapsulates the butterfly model of care.

Succession planning to be considered due to planned retirement of key head office personnel in the next 2- 5 years.

Strategies employed to achieve objectives

The trustees and senior management team continue to review the performance of the charity and plan for the future, we aim to ensure the organisation is secure and able to develop, whilst remaining a manageable size, so that quality of care is not compromised and the charity's aims, objectives and values continue to be met.

Eothen currently has the capacity to provide 24 hour person centered care and support for 135 individuals, 71 residential care, and 64 specialist dementia care. Our homes are located at Gosforth, Whitley Bay and Wallsend and are purpose built. Our specialist facility at Wallsend provides small scale household living using the 'butterfly model of care', designed to provide freedom and choice for those living with dementia.

We offer full and varied activity programmes which are aligned with our Ethos and Values and we employ activity co-ordinators at our homes to ensure that we provide Christian fellowship and Pastoral Support to meet the needs of each individual. We have good relationships with local universities, colleges and schools. We offer work experience and student nurse placements, along with nursery school children who are also regular visitors.

We aim for our residents to live at Eothen as long as possible, working with health care professionals to provide end of life care and full support for both the residents and their families. Respite care is provided if rooms are available, as well as day care for those in the community who may be lonely and need extra support.

We are committed to staff training and development facilitated by a full time Training and Development manager who ensures compliance with mandatory and bespoke training. Our staff receive training specifically regarding their home and residents which enables us to provide consistent standards and be more responsive to individual training needs. Staff will be encouraged to participate in research activities and to have a greater understanding of how life in care homes can be improved for residents, relatives and staff.

Our values and our Christian Ethos are embedded in staff induction and training. Managers will ensure that staff are well supported through regular observations, supervision and appraisals. We provide extra staff to cover sickness absence, holidays and staff vacancies with the aim of eliminating the use of agency staff.

Managers will promote Eothen and continue to network in their local community to increase awareness of the charity, as well as developing ways to attract residents and staff, including effective and well placed marketing and advertising.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Achievement and performance

Charitable activities

Our Christian Ethos and Values continue to be embedded throughout the organisation and we have received excellent feedback and scores on the carehome.co.uk website. We continue to aim for excellence throughout.

A good level of occupancy has been achieved at all homes and we have had a steady stream of enquiries and each home has produced a surplus. Newcastle Local Authority fee rates have increased and surpassed our own private fee charge which has not previously been experienced.

We were successful in obtaining a grant for digitalising social care from the NHS, receiving £24,000 which will fund the initial implementation cost of Coolcare, the electronic care management system.

Recruitment and retention issues have improved as staff pay was increased twice during the year and our hourly pay rates are well above the Real Living Wage. The aim is to stay ahead of our competitors and reward our existing staff for their hard work and commitment. We also introduced a 'Refer a Friend Scheme' and employed a dedicated recruitment officer. Staff turnover has reduced slightly from the previous year and we have employed a total of 4 new employees. We continue to offer good terms and conditions of employment, training opportunities, personal development and career progression.

We created a new project co-ordinator role to plan and oversee preventative maintenance and refurbishment projects. Windows have been replaced on the South elevation of our home in Gosforth and we have replaced the fire panels in two homes. Patio doors were fitted in the lounge at Whitley Bay using funds from a donation.

We successfully recruited a senior activities co-ordinator who is working between all three homes and has made a positive difference for our residents, organising special events, which have been shared on social media with regular appearances on local and national television news and radio.

The CQC have carried out one inspection at Wallsend, achieving an overall rating of good and an outstanding rating for 'Well Led', with good CQC ratings at the other homes, although they have not been inspected since the pandemic. We have also maintained grade 5 with Environmental Health and grade 1 with Local Authorities.

Our Training and Development Manager continues to develop our research portfolio and we have been involved with four research projects in 2023. DACHA – Developing resources and minimum data set for care homes, FINCH – Falls in care homes, SONNET (under ENRICH) – looking at social connections and our largest project is with Creating Care Partnerships, which has been ongoing since April 2022. Our partnership is now named Care & Research North East and we are working with Newcastle University supporting research in adult social care to improve practice and outcomes for people using care services.

The AFRI-c Air Filter study, has been gathering data for the winter period Sept 23 to May 24, on whether HEPA air filters can reduce symptomatic winter respiratory infections (coughs, colds, flu and COVID -19) in care home residents.

A new Home Manager was employed at our Gosforth home in June. All managers have been engaged in our research projects and have recently developed a video to provide feedback from the first year of research which looked at wearing uniforms in care homes. Two of our homes were also presented with awards by North Tyneside Local Authority for managing residents changing care needs.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Key performance indicators

1. Occupancy – We aim for good occupancy at all homes and measure actual occupancy against forecast for the year. Actual total occupancy for the year was 95% which is just under the forecast of 96%.
2. Financial surplus – We aim to achieve a cash surplus for each home.
3. Resident & Relative satisfaction - We aim to achieve a customer satisfaction score in excess 80%. In 2023 we achieved 92.4%, which is down by 6.9% on the previous year. Results seem to have been affected by pandemic visiting restrictions.
4. Feedback and reviews can be found on www.carehome.co.uk. Our group rating is 9.8, and we continue to be one of the top 20 small care home groups in the UK. We have received some outstanding comments for all homes.
5. Employee satisfaction – We aim to achieve an overall staff satisfaction rate from annual questionnaires of over 80%. In 2023, the results showed 95% satisfaction.

Public Benefit

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and are confident that Eothen can continue to meet the public benefit now and into the future in the following ways:

Providing care and accommodation for all. We accept those who are fully self-funded and those who are partially or fully subsidised by other means, such as the local authority and the NHS, which provides continuing health care.

Residents pay an economic fee for their care, some of which may be partially or fully payable by a local authority. At Wallsend the local authority fee rate is substantially lower than the cost of care and a third party top up is requested for Local Authority funded residents to help bridge the gap.

Our Ethos is one of inclusion and in practical terms we are committed to equality and diversity, welcoming residents and staff from different backgrounds and communities. Residents are encouraged to join in activities in the homes and, where able, in the local community, where each individual can maintain his or her own interests and faith.

We are approved to provide placements for student nurses from Northumbria University and work experience for health and social care students from local colleges. Students are able to participate and experience good quality care of the elderly and can learn and develop new skills and knowledge to benefit their future careers in the care sector.

We are actively involved in various projects within social care, sharing knowledge, participating in trials and working with other providers to improve care of older people and those living with dementia.

Eothen Homes does not actively raise funds but all donations are welcome and are used directly for the benefit of our residents, usually for activity equipment, garden furniture or specific projects.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Financial Review

Reserves policy

The trustees have considered the level of reserves which should be maintained by the charity and this is reviewed at board meetings. Reserves may be needed to cover unexpected shortfalls in charitable income and other contingencies.

Undesignated free reserves (excluding capital assets) as at 31 March 2024 amounted to £3,998,598. The Trustees consider this level of free reserves to be adequate to support the operation of the three homes for the foreseeable future. Reserves are being built up to fund a new care development.

The charity has revised the investment policy to include some medium term investments, placing £1m with Edentree Investment Management and £1m with Redmayne Bentley Investment Management and Stock Brokers. Other funds are on deposit in term accounts, maturing at various dates throughout the year giving predictable access to funds. The trustees consider that £500,000 is a sufficient minimum financial reserve.

The Trustees ceased the depreciation of buildings in 2002 and established the Planned Maintenance Fund. The fund is topped up by an annual transfer of 2% of fee income generated by all homes. Planned works such as decoration and general refurbishment of the homes are funded from this. In the event of major works, an additional transfer from undesignated free reserves may be agreed.

The balance on the planned maintenance fund is £448,988 which along with the transfer from fees is considered adequate to fund the planned expenditure in the coming year. The Trustees monitor the level of this fund on an annual basis.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

Home Managers will focus over the coming year on resident care and experiences to prepare for the changes to the CQC Inspection Framework. Ensuring the care we provide is exceptional and of a consistently high standard, which is flexible to meet the increasing needs, expectations and demands of our residents and their families. Resident dependency and occupancy will be continually monitored alongside the staffing ratio which is increased or decreased as required to ensure appropriate levels of staff are maintained.

To maintain good occupancy which will increase the forecast surplus, support cash reserves and boost the maintenance fund to reinvest in our existing homes and fund a new development. We are actively looking for future projects and development opportunities in either residential or dementia care in the North East of England and neighbouring areas. In the future, we aim to replace our existing homes with modern purpose-built facilities which will benefit and support the ageing population and those living with dementia.

Resident fees are reviewed annually and increased in line with forecast expenditure and any changes to staff numbers.

To appoint a project co-ordinator to develop a refurbishment program to maintain the quality of accommodation currently provided and to improve our facilities, providing more varied and stimulating areas in the gardens, where the residents can be involved and have opportunities to share ideas.

An electronic care home administration system will be implemented in April, 2024 which will replace our existing payroll system and integrate with Nourish, our electronic care planning system, which will streamline home, staff and resident records. Biometric sign in and a staff portal is included to enable staff to book overtime, training and request holidays. It is also a more efficient way to communicate with our workforce.

We will provide training and support to further embed 'Nourish' the electronic care planning system and utilise the system to its full potential and provide 'Under Our Wing' our own bespoke dementia training to our residential homes.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

Governing document

Eothen Homes Limited is a Company limited by guarantee, governed by Articles of Association adopted on 13 December 2017 (previously governed by the Memorandum and Articles of Association dated 8 May 1950, amended on 27 September 1988 and 10 May 2010). The Company's registration number is 0482334. It is registered as a charity with the Charity Commission, number 223262. There are currently eight members, each of whom agrees to contribute £1 in the event of the charitable company being wound up.

The charity's object and principal activity (as described in the articles) is;

"to provide care for elderly persons within a Christian Framework and Ethos", by the following means:

Providing appropriate accommodation, items, services or facilities calculated to relieve the needs of such persons, and by the provision of carers and by the provision of regular support and training for such carers."

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:

Mr I D Thomson

Professor A Thomas

Dr A Van Den Bos

Dr S Mishreki

Mr A McIlhinney

Dr A Shepherd

(Resigned 11 July 2023)

Ms M Erny

Ms L Marsh

Recruitment and appointment of new trustees

The board consists of voluntary trustees, (members/directors), who are committed Christians and adhere to the Evangelical Alliance's statement of faith. Trustees have statutory responsibilities and ensure they follow the Charity Commission Code of Governance. In line with Charity requirements, the Directors do not draw any remuneration or benefit other than expenses to carry out their duties. Trustees visit the homes when possible to keep up to date and to provide opportunities to meet residents and staff. They also attend briefings and training courses as appropriate and benefit from training and experience from other charities they are involved in.

The recruitment process follows charity commission guidelines to ensure there is an appropriate range of skills, knowledge and experience amongst its members. Existing trustees approach candidates who are invited to attend a Trustee meeting, initially as an observer. If they are considered suitable for the role of trustee, the relevant checks and references are obtained before being invited to join the board.

New Trustees are given an induction pack which includes constitutional documents, our annual business plan, risk register, governance information and any other information relevant to the work of the charity. All members receive a copy of the 'Governance' magazine in order to keep them up to date with their role and responsibilities and are directed to read the Charities Commission Governance code.

The number and skills of trustees have been reviewed and it has been identified that we would benefit from the recruitment of some new trustees, preferably with expertise in finance, senior business management and law. Advertising leaflets have been designed to reach out to any potential trustees and distributed to local churches and businesses with who we have close working connections in the North East.

Trustees are appointed for a three year term, after which time they are invited to stand for re-election.

Dr A D Shepherd retired in July after serving Eothen for over 34 years. There were no other Trustees due to retire by rotation in 2023.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Organisational structure

The board of trustees have responsibility for the overall leadership and direction of the charity and the day to day operation of the charity and its services is delegated to the Chief Executive and her team. The trustees meet at least three times per year and in between meetings there is regular contact with the CEO, Chair of trustees and other trustees as appropriate. Trustees are provided with financial reports quarterly to enable them to review and approve long term objectives, strategy, policies, budget and compliance with the Charity Commissions' Governance code.

Employees

We are an equal opportunities organisation, committed to providing a happy, safe and comfortable environment for all staff, volunteers and students. We aim to recruit staff who will embrace our Christian ethos, values and model of care.

We employ 165 staff and are also supported by families, friends and volunteers from the local community. We are committed to providing good terms and conditions of employment for all staff.

We provide bespoke in-house training, personal development and career opportunities. We will communicate, consult with, and listen to our staff, providing regular opportunities to provide feedback through questionnaires, individual reviews and meetings.

Risk management

The trustees review strategic risk regularly. A comprehensive risk register is maintained which is subject to review at board meetings. The risk register identifies risks likely to affect the charity's ability to meet its aims and objectives in areas of Governance and Management, Financial and Legal, Regulatory Compliance and any other external factors. Systems and policies are in place to reduce or mitigate any risk and these are monitored and appropriate actions taken if required.

The risk register has been reviewed for the coming year with only minor amendments made. Recruitment issues and staff shortages continue to be a higher risk. However, the charity remains in strong financial position and the financial forecast for the year ahead is good.

Financial Risk management

Eothen operates robust and secure financial systems with safe accounting procedures in place. The trustees are aware of their duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Financial risks are identified as part of the annual business review process and are monitored on a regular basis. Financial performance is reported to the trustees by the finance manager, which may be subject to further scrutiny as determined by the board.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Statement of trustees' responsibilities

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

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

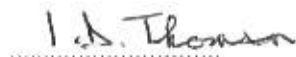
Auditor

In accordance with the company's articles, a resolution proposing that Robson Laidler Accountants 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, including the strategic report, was approved by the Board of Trustees.



Mr I D Thomson

Trustee

Date: 18 JULY 2024

EOTHEN HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EOTHEN HOMES LIMITED

Opinion

We have audited the financial statements of Eothen Homes Limited (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 and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

EOTHEN HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EOTHEN HOMES LIMITED

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 strategic report or 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.

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.

The risk of material misstatement due to error or fraud has been assessed in conjunction with how internal controls may mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Analytical review and substantive testing is also performed on all material balances and therefore any instances of non-compliance should be identified or considered as insignificant. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team;

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework, in which the charity operates and how the charity complies with that legal and regulatory framework
- inquired with management and those charged with governance about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud
- discussed with management and those charged with governance any non-compliance with laws and regulations and how fraud might occur including assessments of how and where the financial statements may be susceptible to fraud.

The risk of management override of controls was also considered an area of potential misstatement due to fraud. Audit procedures performed included testing of manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

EOTHEN HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EOTHEN HOMES LIMITED

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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.



Nicholas Cunningham FCCA (Senior Statutory Auditor)
for and on behalf of Robson Laidler Accountants Limited

23-7-2024

Statutory Auditor

Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
England
NE2 1TJ

EOTHEN HOMES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Donations and legacies	2	34,445	11,449
<u>Charitable activities</u>			
Residential care fees		5,881,693	5,387,772
Investments		131,026	23,467
Total income		<u>6,047,164</u>	<u>5,422,688</u>
Expenditure on:			
<u>Charitable activities</u>			
Residential care	3	5,386,058	4,764,162
Other expenditure		-	11,418
Total expenditure		<u>5,386,058</u>	<u>4,775,580</u>
Net gains/(losses) on investments		93,787	(26,098)
Net movement in funds	5	754,893	621,010
Reconciliation of funds:			
Fund balances at 1 April 2023		12,265,688	11,644,678
Fund balances at 31 March 2024		<u>13,020,581</u>	<u>12,265,688</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

EOTHEN HOMES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		8,572,995		8,580,131
Investments	10		2,089,520		1,913,002
			<u>10,662,515</u>		<u>10,493,133</u>
Current assets					
Debtors	11	109,709		67,546	
Cash at bank and in hand		2,634,130		2,053,524	
		<u>2,743,839</u>		<u>2,121,070</u>	
Creditors: amounts falling due within one year	12	(385,773)		(348,515)	
Net current assets			<u>2,358,066</u>		<u>1,772,555</u>
Total assets less current liabilities			<u>13,020,581</u>		<u>12,265,688</u>
The funds of the charity					
Unrestricted funds			<u>13,020,581</u>		<u>12,265,688</u>
			<u>13,020,581</u>		<u>12,265,688</u>

The financial statements were approved by the trustees on

I. D. Thomson

Mr I D Thomson

Trustee

Company registration number 00482334 (England and Wales)

EOTHEN HOMES LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	19		558,005		767,156
Investing activities					
Purchase of tangible fixed assets		(25,696)		(29,499)	
Proceeds from disposal of tangible fixed assets		-		789	
Purchase of investments		(128,404)		(1,939,100)	
Proceeds from disposal of investments		45,675		-	
Investment income received		131,026		23,467	
Net cash generated from/(used in) investing activities			22,601		(1,944,343)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			580,606		(1,177,187)
Cash and cash equivalents at beginning of year			2,053,524		3,230,711
Cash and cash equivalents at end of year			2,634,130		2,053,524

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Eothen Homes Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 15 Berry Moor Court, Northumberland Business Park, Cramlington, Northumberland, NE23 7RZ, England.

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. 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 funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds are funds set aside by the Trustees out of unrestricted funds for specific future purpose or projects.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

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.

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

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
Fixtures and fittings	15% on cost
Computers	33% on cost

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. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in profit and loss.

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 Taxation

The charities activities fall within the exemptions afforded by the provisions of The Corporation Taxes Act 2010. Accordingly, there is no taxation charge in these accounts.

1.11 Retirement benefits

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

1.12 Short term debtors and creditors

Debtors and creditors with no interest rate which are receivable or payable within one year are recorded at transaction price. Any loss arising from impairment are recognised immediately in profit and loss.

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

2 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	3,201	2,400
Government grants	31,244	9,049
	<u>34,445</u>	<u>11,449</u>

3 Expenditure on charitable activities

	Residential care 2024 £	Residential care 2023 £
Direct costs		
Staff costs	3,442,219	2,919,405
Depreciation and impairment	32,830	75,005
Rates and water	36,969	31,407
Insurance	68,755	72,674
Light and heat	286,869	137,462
Telephone, stationery and advertising	34,276	43,582
Sundries	34,838	17,342
Food	270,297	250,934
China, utensils and linen	21,389	7,349
Employment agency	126,890	258,813
Repairs and maintenance	324,094	318,543
Gardening	28,117	28,234
Cleaning and waste disposal	74,643	64,335
Training, travelling and subsistence	18,002	22,638
Legal and professional	15,460	3,805
Registration fees	20,850	20,347
Occupational therapy	16,600	10,144
	<u>4,853,098</u>	<u>4,282,019</u>
Share of support and governance costs (see note 4)		
Support	527,010	476,843
Governance	5,950	5,300
	<u>5,386,058</u>	<u>4,764,162</u>
Analysis by fund		
Unrestricted funds	<u>5,386,058</u>	<u>4,764,162</u>

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

4 Support costs allocated to activities

	Residential care 2024 £	Total 2023 £
Staff costs	433,396	404,639
Depreciation	-	538
Property expenses	44,327	38,507
Motor and travel costs	18,857	10,426
Legal and professional fees	12,267	4,619
Communication and information	8,536	9,081
Office expenses	2,796	3,512
Bank charges	6,831	5,521
Governance	5,950	5,300
	<u>532,960</u>	<u>482,143</u>

5 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	5,950	5,300
Depreciation of owned tangible fixed assets	32,830	75,543
Loss on disposal of tangible fixed assets	-	11,418
	<u></u>	<u></u>

6 Trustees

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

7 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Residential	150	146
Central management and administration	7	7
	<u></u>	<u></u>
Total	<u>157</u>	<u>153</u>

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7	Employees	(Continued)	
	Employment costs	2024 £	2023 £
	Wages and salaries	3,514,084	3,013,304
	Social security costs	271,189	235,352
	Other pension costs	90,342	75,388
		<u>3,875,615</u>	<u>3,324,044</u>

Key management remuneration totalled £190,737 (2023: £175,984).

The number of employees whose annual remuneration was £60,000 or more were:

	2024 Number	2023 Number
£80,001 to £90,000	<u>1</u>	<u>1</u>

8 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 April 2023	8,638,197	778,601	11,940	9,428,738
Additions	-	25,696	-	25,696
Disposals	-	(32,046)	-	(32,046)
	<u>8,638,197</u>	<u>772,251</u>	<u>11,940</u>	<u>9,422,388</u>
At 31 March 2024	8,638,197	772,251	11,940	9,422,388
Depreciation and impairment				
At 1 April 2023	163,293	673,376	11,940	848,609
Depreciation charged in the year	-	32,830	-	32,830
Eliminated in respect of disposals	-	(32,046)	-	(32,046)
	<u>163,293</u>	<u>674,160</u>	<u>11,940</u>	<u>849,393</u>
At 31 March 2024	163,293	674,160	11,940	849,393
Carrying amount				
At 31 March 2024	<u>8,474,904</u>	<u>98,091</u>	<u>-</u>	<u>8,572,995</u>
At 31 March 2023	<u>8,474,905</u>	<u>105,226</u>	<u>-</u>	<u>8,580,131</u>

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

10 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2023	1,913,002
Additions	128,404
Valuation changes	93,789
Disposals	(45,675)
At 31 March 2024	2,089,520
Carrying amount	
At 31 March 2024	2,089,520
At 31 March 2023	1,913,002

11 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	49,177	22,272
Prepayments and accrued income	60,532	45,274
	109,709	67,546

12 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	78,192	68,279
Trade creditors	81,240	78,370
Other creditors	21,546	19,702
Accruals and deferred income	204,795	182,164
	385,773	348,515

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

13 Retirement benefit schemes

	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	90,342	75,388

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

14 Designated 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.

	Balance at 1 April 2023	Resources expended	Transfers	Balance at 31 March 2024
	£	£	£	£
Planned maintenance fund	424,248	(92,894)	117,634	448,988
Capital fund	8,580,131	-	(7,136)	8,572,995
	9,004,379	(92,894)	110,498	9,021,983

15 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

16 Purpose of Designated Funds

The planned maintenance fund has been set aside out of the unrestricted funds by the Trustees for future planned maintenance costs at the homes. The capital fund represents the value of the functional fixed assets held by the charity, net of borrowing. The Trustees consider that these assets form the core assets from which the charity operates and therefore do not consider them to be available to fund the day to day activities of the charity.

17 Indemnity Insurance

The charity paid for the insurance premiums to indemnify Trustees and senior staff from any loss arising from neglect or defaults of Trustees or staff and any consequent loss.

18 Company Limited by Guarantee

Eothen Homes Limited is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amounts as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

19	Cash generated from operations	2024 £	2023 £
	Surplus for the year	754,893	621,010
	Adjustments for:		
	Investment income recognised in statement of financial activities	(131,026)	(23,467)
	(Gain)/loss on disposal of tangible fixed assets	-	11,418
	Fair value gains and losses on investments	(93,787)	26,098
	Depreciation and impairment of tangible fixed assets	32,830	75,543
	Movements in working capital:		
	(Increase)/decrease in debtors	(42,163)	37,134
	Increase in creditors	37,258	19,420
	Cash generated from operations	558,005	767,156

20 Analysis of changes in net funds

The charity had no material debt during the year.

EOTHEN HOMES LIMITED

England & Wales - Charity number 223262

Accounts

Charity registration number 223262

Company registration number 00482334 (England and Wales)

EOTHEN HOMES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

EOTHEN HOMES LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr I D Thomson Professor A Thomas Dr A Van Den Bos Dr S Mishreki Mr A McIlhinney Dr A Shepherd Ms M Erny Ms L Marsh
Chief Executive	Mrs J M Hearl
Company Secretary	Mrs B Wilson
Charity number	223262
Company number	00482334
Registered office	15 Berrymoor Court Northumberland Business Park Cramlington Northumberland England NE23 7RZ
Auditor	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle Upon Tyne Tyne and Wear England NE2 1TJ
Bankers	Barclays Bank Plc Wingrove Newcastle West Group Newcastle upon Tyne

EOTHEN HOMES LIMITED

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EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2023

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 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).

Objectives and activities

Ethos, values, aims and objectives

Eothen Homes is a respected and trusted well-established Christian charity founded in 1950. The Charity's objects ("the Objects") are to provide care for elderly persons, within a Christian framework and ethos. Our aim is to provide quality residential care and support, showing compassion and understanding, and providing a homely environment with safe, quality accommodation in which residents are treated with dignity and respect.

Care provided is flexible and individualised to meet physical, emotional, spiritual and social needs. Residents are encouraged to live life to the full, and enjoy a lifestyle based on each person's abilities, interests and life history.

We regard our employees as our greatest asset and base recruitment on our values to ensure we employ those who genuinely care. We continually invest in training and professional development to ensure staff are experienced, dedicated and skilled.

Our Values

Empathy: We will aim to understand other people's experiences and what is important to them, showing Christian commitment, compassion, love and kindness.

Openness: We will open our doors and our hearts, be approachable, accept others and always listen to feedback.

Trustworthiness: We will act with integrity and transparency in everything we do and provide a safe and secure environment.

Honesty: We will work together to act truthfully and promote open and honest communication.

Equality: We will treat everyone with respect and courtesy, promoting fair and inclusive practice.

Nurturing: We will value and respect everyone, creating a sense of belonging in a caring, safe and happy environment where people are supported to achieve their full potential.

Objectives for the year ending 31st March 2023

Home Managers will ensure that high standards are achieved and maintained and that the care provided is flexible to meet residents' and families' increasing expectations and demands.

To continually monitor resident dependency and occupancy at all homes alongside the staffing ratio, which is increased or decreased as required to ensure appropriate levels of staff on duty. Demands on staff continue to increase and managers will ensure that staff are well supported through regular observations, supervision and appraisal.

To introduce 'Nourish' a new electronic care planning system into all homes, which will reduce the amount of paperwork and handovers. This will enable staff to spend more meaningful time with residents and ensure compliance and consistency with record keeping.

To promote the provision of training for other care home providers at our training facility at Wallsend, to raise our profile and potentially generate some income. Training focus for the year was the dementia model at Wallsend and ensure all mandatory training is up to date.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Objectives for the year (cont.)

Home Managers and Activity Co-ordinators to ensure residents are provided with a varied and stimulating activity programme, which encompasses spiritual needs and other interests which fosters a comfortable and sociable atmosphere. Activity provision to be reviewed and consideration given to increasing activities and events, providing more interest around the homes, including small animals, equipment and areas of interest, especially at Wallsend.

To develop a refurbishment program for Gosforth and Whitley Bay with the aim of refreshing the décor, which is looking 'tired' following the Pandemic.

Managers to continue to network and promote Eothen in their local community to increase awareness of the charity, as well as developing ways to attract and retain residents and staff, including effective and well placed marketing and advertising.

Aim for good occupancy, individually and overall, to achieve the forecast surplus, which will increase cash reserves and boost the maintenance fund to either reinvest in our existing homes or support a new development.

Resident fees to be increased, taking into account increases to the Real Living Wage, employer's National Insurance contributions and additional staff employed in each home. In some cases the staff/resident ratio is increased for higher dependency of residents. The increasing cost of fuel, utility and food costs and any potential risks caused by international conflict will be taken into account.

To continue to reinvest our operating surplus to maintain the quality of accommodation currently provided and to improve our facilities. The trustees to consider a new investment strategy to increase the return on funds held.

In the future, we aim to replace our existing homes with modern purpose-built facilities which will benefit and support the ageing population and those living with dementia. Therefore, we are actively looking for future projects and development opportunities in either residential or dementia care in the North East of England and neighbouring areas.

Strategies employed to achieve objectives

The trustees and senior management team continue to review the performance of the charity and plan for the future, we aim to ensure the organisation is secure and able to develop, whilst remaining a manageable size, so that quality of care is not compromised and the charity's aims, objectives and values continue to be met.

Eothen currently has the capacity to provide 24 hour person centered care and support for 135 individuals, 71 residential care, and 64 specialist dementia care. Our homes are located at Gosforth, Whitley Bay and Wallsend and are purpose built. Our specialist facility at Wallsend provides small scale household living using the 'butterfly model of care', designed to provide freedom and choice for those living with dementia.

We offer full and varied activity programmes which are aligned with our Ethos and Values and we employ activity co-ordinators at our homes to ensure that we provide Christian fellowship and Pastoral Support to meet the needs of each individual. Although this was limited due to the sustained Coronavirus pandemic, we offered alternative interaction through social media, television and recorded services.

The Coronavirus Pandemic restricted many of the activities previously offered in the homes and we are slowly re-introducing them. Good relationships have been maintained with local universities, colleges and schools and we look forward to welcoming student placements back, along with nursery school children who were also regular visitors.

We aim for our residents to live at Eothen as long as possible, working with health care professionals to provide end of life care and full support for both the residents and their families. Respite care is provided if rooms are available, as well as day care for those in the community who may be lonely and need extra support.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Strategies employed to achieve objectives (contd.)

Vaccinations for staff in care homes are no longer mandatory and there has been a marked reduction of staff who have not had the Coronavirus booster or annual flu vaccine. Mask wearing ceased earlier this year which was welcomed by residents, families and staff.

We continue our commitment to staff training and development. We employ a full time Training and Development manager to ensure we comply with mandatory and bespoke training at all homes. Our staff receive training specifically regarding their home and residents which enables us to provide consistent standards and be more responsive to individual training needs. We are continuing to develop the staff in specialist areas such as dementia care in order to equip them with the necessary skills to meet the varying needs of our residents.

Strategic Report

Achievement and performance

Charitable activities

Our Christian Ethos and Values continue to be embedded throughout the organisation and we have received excellent feedback and scores on the carehome.co.uk website. We continue to aim for excellence throughout.

A good level of occupancy has been achieved at all homes and we have had a steady stream of enquiries. Each home has produced a surplus, despite the cost of living crisis.

Recruitment and retention issues have improved as staff pay was increased twice during the year and our hourly pay rates are well above the Real Living Wage. The aim is to stay ahead of our competitors and reward our existing staff for their hard work and commitment. We also introduced a 'Refer a Friend Scheme' and employed a dedicated recruitment officer. Staff turnover has reduced slightly from the previous year and we have employed a total of 60 new employees. We continue to offer good terms and conditions of employment, training opportunities, personal development and career progression.

The CQC and local authorities continue to conduct desktop inspections and we have therefore maintained the good CQC ratings at all homes, grade 5 with Environmental Health and grade 1 with Local Authorities.

Our social media profile has increased and the homes and residents have made several appearances on TV and radio, both locally and nationally.

'Nourish,' an electronic care planning system, has been successfully introduced. This has reduced the amount of paperwork and handovers, which enables staff to spend more meaningful time with our residents and ensures compliance and consistency with GDPR and record keeping.

Our Training and Development and Compliance managers have designed and developed 'Under Our Wing', which is specific dementia training for Eothen and the adopted butterfly approach we use to care for our residents who are living with dementia.

As part of our commitment to excellence, we have introduced a research portfolio and are currently involved with four research projects. DACHA – Developing resources and minimum data set for care homes, FINCH – Falls in care homes, SONNET (under ENRICH) – looking at social connections and our largest project is with Creating Care Partnerships, which has been ongoing since April 2022. Our partnership is now named Care & Research North East and we are working with Northumbria University supporting research in adult social care to improve practice and outcomes for people using care services.

In support of the local community we introduced and registered an official warm space at Wallsend to help vulnerable elderly people during the cost of living crisis with increasing energy and food costs. Also offering places for Christmas dinner for anyone who might be on their own.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Key performance indicators

1. Occupancy – We aim for good occupancy at all homes and measure actual occupancy against forecast for the year. Actual total occupancy for the year was 95.6% and higher than the forecast 93%.
2. Financial surplus – We aim to achieve a cash surplus for each home.
3. Resident & Relative satisfaction - We aim to achieve a customer satisfaction score in excess 80%. In 2022 we achieved 85.5%, which is down by 5.4% on the previous year. Results seem to have been affected by pandemic visiting restrictions.
4. Feedback and reviews can be found on www.carehome.co.uk. Our group rating is 9.8, which is within the top 20 small care home groups in the UK. We have received some outstanding comments for all homes.
5. Employee satisfaction – We aim to achieve an overall staff satisfaction rate from annual questionnaires of over 80% but in 2021/22, surveys were not sent out due to the pandemic and staff shortages.

Public Benefit

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and are confident that Eothen can continue to meet the public benefit now and into the future in the following ways:

Providing care and accommodation for all. We accept those who are fully self-funded and those who are partially or fully subsidised by other means, such as the local authority and the NHS, which provides continuing health care.

Residents pay an economic fee for their care, some of which may be partially or fully payable by a local authority. At Wallsend the local authority fee rate is substantially lower than the cost of care and a third party top up is requested for Local Authority funded residents to help bridge the gap.

Our Ethos is one of inclusion and in practical terms we are committed to equality and diversity, welcoming residents and staff from different backgrounds and communities. Residents are encouraged to join in activities in the homes and, where able, in the local community, where each individual can maintain his or her own interests and faith.

We are approved to provide placements for student nurses from Northumbria University and work experience for health and social care students from local colleges, although these placements were suspended during 2021/22 due to the Coronavirus pandemic. Students experience good quality care of the elderly and can learn and develop new skills and knowledge to benefit their future careers in the care sector. We hope to welcome students back to the homes in the future.

We are actively involved in various projects within social care, sharing knowledge, participating in trials and working with other providers to improve care of older people and those living with dementia.

Eothen Homes does not actively raise funds but all donations are welcome and are used directly for the benefit of our residents, usually for activity equipment, garden furniture or specific projects.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Financial Review

Reserves policy

The trustees have considered the level of reserves which should be maintained by the charity and this is reviewed at board meetings. Reserves may be needed to cover unexpected shortfalls in charitable income and other contingencies, as demonstrated with the Coronavirus pandemic.

Undesignated free reserves (excluding capital assets) as at 31 March 2023 amounted to £3,261,309. The Trustees consider this level of free reserves to be adequate to support the operation of the three homes for the foreseeable future. Reserves are being built up to fund a new care development.

The charity has revised the investment policy to include some medium term investments, placing £1m with Edentree Investment Management and £1m with Redmayne Bentley Investment Management and Stock Brokers. Other funds are on deposit in term accounts, maturing at various dates throughout the year giving predictable access to funds. The trustees consider that £500,000 is a sufficient minimum financial reserve.

The Trustees ceased the depreciation of buildings in 2002 and established the Planned Maintenance Fund. The fund is topped up by an annual transfer of 2% of fee income generated by all homes. Planned works such as decoration and general refurbishment of the homes are funded from this. In the event of major works, an additional transfer from undesignated free reserves may be agreed.

The balance on the planned maintenance fund is £424,248 which along with the transfer from fees is considered adequate to fund the planned expenditure in the coming year. The Trustees monitor the level of this fund on an annual basis.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

Our focus is for all homes to achieve excellence, with the highest standards of care. Our values and our Christian Ethos will be embedded in staff induction and training. Staff will also be encouraged to participate in research activities and to have a greater understanding of how life in care homes can be improved for residents, relatives and staff.

Our Home Managers will ensure that high standards are achieved and maintained and that the care provided is flexible to meet the increasing needs, expectations and demands of our residents and their families. Resident dependency and occupancy will be continually monitored alongside the staffing ratio which is increased or decreased as required to ensure appropriate levels of staff are on duty.

Resident fees have been reviewed and increased for the year ahead. The financial forecast has taken into account increases in staff pay and the cost of living crisis.

We will continue our commitment to the training and development of our staff. Managers will ensure that staff are well supported through regular observations, supervision and appraisals. We also aim to provide extra staff to cover any sickness absence, holidays and staff vacancies to eliminate the use of agency staff.

We will continue to provide training and support to all staff to further embed 'Nourish' the electronic care planning system and utilise the system to its full potential.

Introduce 'Under Our Wing' our own bespoke dementia training which encapsulates the butterfly model of care.

We plan to explore and implement an electronic care home management system which will integrate with our existing payroll system and will stream line staff management and holiday records.

We will employ a senior activity person to co-ordinate events over all three homes and review activity provision with consideration given to increasing activities and events and provide more areas of interest around the homes.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

A refurbishment program has been developed with a focus on our Gosforth home in the year ahead. Refreshing the décor and updating some of the furniture, carpet and curtains. Further investment is planned for the gardens at all homes to provide a more varied and stimulating environment where the residents are more involved and have opportunities to share ideas and help out.

Succession planning to be considered due to planned retirement of key head office personnel in the next 2- 5 years

Structure, governance and management

Governing document

Eothen Homes Limited is a Company limited by guarantee, governed by Articles of Association adopted on 13 December 2017 (previously governed by the Memorandum and Articles of Association dated 8 May 1950, amended on 27 September 1988 and 10 May 2010). The Company's registration number is 0482334. It is registered as a charity with the Charity Commission, number 223262. There are currently eight members, each of whom agrees to contribute £1 in the event of the charitable company being wound up.

The charity's object and principal activity (as described in the articles) is:

"to provide care for elderly persons within a Christian Framework and Ethos", by the following means:

Providing appropriate accommodation, items, services or facilities calculated to relieve the needs of such persons, and by the provision of carers and by the provision of regular support and training for such carers."

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:

Mr I D Thomson

Professor A Thomas

Dr A Van Den Bos

Dr S Mishreki

Mr A McIlhinney

Dr A Shepherd

Ms M Erny

Ms L Marsh

Recruitment and appointment of new trustees

The board consists of voluntary trustees, (members/directors), who are committed Christians and adhere to the Evangelical Alliance's statement of faith. Trustees have statutory responsibilities and ensure they follow the Charity Commission Code of Governance. In line with Charity requirements, the Directors do not draw any remuneration or benefit other than expenses to carry out their duties. They visit the homes when possible to keep up to date and to provide opportunities to meet residents and staff. The trustees also attend briefings and training courses as appropriate and benefit from training and experience in other charities where they are Directors.

The recruitment process follows charity commission guidelines to ensure there is an appropriate range of skills, knowledge and experience amongst its members. Existing trustees approach candidates who are invited to attend a Trustee meeting, initially as an observer. If they are considered suitable for the role of trustee, the relevant checks and references are obtained before being invited to join the board.

New Trustees are given an induction pack which includes constitutional documents, our annual business plan, risk register, governance information and any other information relevant to the work of the charity. All members receive a copy of the 'Governance' magazine in order to keep them up to date with their role and responsibilities and are directed to read the Charities Commission Governance code.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The number and skills of trustees have been reviewed and it has been identified that we would benefit from the recruitment of some new trustees, preferably with expertise in finance, senior business management and law. Advertising leaflets have been designed to reach out to any potential trustees and distributed to local churches and businesses with who we have close working connections in the North East.

Trustees are appointed for a three year term, after which time they are invited to stand for re-election.

The Trustees retiring by rotation who were re-elected in 2022 were Ms M Erny and Professor A Thomas.

Organisational structure

The board of trustees have responsibility for the overall leadership and direction of the charity. The trustees meet at least three times per year and are provided with financial reports quarterly, to enable them to review and approve long term objectives, strategy, policies, budget and compliance with the Charity Commissions' Governance code. The trustees delegate the day to day operation of the charity and its services to the Chief Executive her team.

Employees

We are an equal opportunities organisation, committed to providing a happy, safe and comfortable environment for all staff, volunteers and students. We aim to recruit staff who will embrace our Christian ethos, values and model of care.

We employ 165 staff and are also supported by families, friends and volunteers from the local community. We are committed to providing good terms and conditions of employment for all staff.

We provide bespoke in-house training, personal development and career opportunities. We will communicate, consult with, and listen to our staff, providing regular opportunities to provide feedback through questionnaires, individual reviews and meetings.

Risk management

The trustees review strategic risk regularly. A comprehensive risk register is maintained which is subject to review at board meetings. The risk register identifies risks likely to affect the charity's ability to meet its aims and objectives in areas of Governance and Management, Financial and Legal, Regulatory Compliance and any other external factors. Systems and policies are in place to reduce or mitigate any risk and these are monitored and appropriate actions taken if required.

The risk register has been reviewed for the coming year and very little has changed. Recruitment issues and staff shortages continue to be a factor. The risk rating for Coronavirus outbreaks has been reduced, although all of the homes have suffered outbreaks, the residents have not been poorly.

The charity is in strong financial position and the financial forecast for the year ahead is good with the impact of the cost of living crisis and international issues taken into account.

Financial Risk management

Eothen operates robust and secure financial systems with safe accounting procedures in place. The trustees are aware of their duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Financial risks are identified as part of the annual business review process and are monitored on a regular basis. Financial performance is reported to the trustees by the finance manager, which may be subject to further scrutiny as determined by the board.

EOTHEN HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Statement of trustees' responsibilities

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

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Auditor

In accordance with the company's articles, a resolution proposing that Robson Laidler Accountants 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, including the strategic report, was approved by the Board of Trustees.



Mr I D Thomson
Trustee

Date: 11 JULY 2023

EOTHEN HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EOTHEN HOMES LIMITED

Opinion

We have audited the financial statements of Eothen Homes Limited (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, 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 2023 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 and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

EOTHEN HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EOTHEN HOMES LIMITED

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 strategic report or 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.

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

The risk of material misstatement due to error or fraud is deemed to be low within the entity as the charity operate strong internal controls to mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Other substantive testing is also performed on all material balances and therefore any instances of non-compliance should be identified or considered as insignificant. Manual journal entries are scrutinised by data analytics software used as part of the audit.

The laws and regulations which are considered to be significant to the entity relate to health and safety. Discussions are held with management to determine whether any breaches have occurred as well as legal expenditure being scrutinised for any evidence on non-compliance.

The audit was considered capable of identifying irregularities only to the extent of the substantive testing performed and from discussions with management.

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.

EOTHEN HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EOTHEN HOMES LIMITED

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.



Michael T Moran BA FCA (Senior Statutory Auditor)
for and on behalf of Robson Laidler Accountants Limited

18 July 2023
.....

Statutory Auditor

Fernwood House
Fernwood Road
Jesmond
Newcastle Upon Tyne
Tyne and Wear
England
NE2 1TJ

EOTHEN HOMES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Unrestricted funds 2022 £
	Notes		
<u>Income and endowments from:</u>			
Donations and legacies	2	11,449	244,659
<u>Charitable activities</u>			
Residential care fees	3	5,387,772	4,785,258
Investments	4	23,467	60,512
Other income	5	-	1,291,562
Total income		5,422,688	6,381,991
<u>Expenditure on:</u>			
<u>Charitable activities</u>			
Residential care	6	4,775,580	4,400,618
Total charitable expenditure		4,775,580	4,400,618
Net gains/(losses) on investments		(26,098)	-
Net movement in funds		621,010	1,981,373
Fund balances at 1 April 2022		11,644,678	9,663,305
Fund balances at 31 March 2023		12,265,688	11,644,678

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.

EOTHEN HOMES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	11	8,580,131		8,638,382	
Investments	12	1,913,002		-	
		<u>10,493,133</u>		<u>8,638,382</u>	
Current assets					
Debtors	13	67,546		104,680	
Cash at bank and in hand		2,053,524		3,230,711	
		<u>2,121,070</u>		<u>3,335,391</u>	
Creditors: amounts falling due within one year	14	(348,515)		(329,095)	
Net current assets			1,772,555		3,006,296
Total assets less current liabilities			<u>12,265,688</u>		<u>11,644,678</u>
Income funds					
<u>Unrestricted funds - general</u>					
Designated funds	15	9,004,379		9,033,603	
General unrestricted funds		3,261,309		2,611,075	
		<u>12,265,688</u>		<u>11,644,678</u>	
		<u>12,265,688</u>		<u>11,644,678</u>	

The financial statements were approved by the Trustees on

I. D. Thomson
 Mr I D Thomson
 Trustee

Company registration number 00482334

EOTHEN HOMES LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	20		767,156		778,078
Investing activities					
Purchase of tangible fixed assets		(29,499)		(47,367)	
Proceeds from disposal of tangible fixed assets		789		2,778,070	
Proceeds from disposal of investment property		-		1,000,000	
Purchase of other investments		(1,939,100)		-	
Investment income received		23,467		60,512	
Net cash (used in)/generated from investing activities			(1,944,343)		3,791,215
Financing activities					
Repayment of bank loans		-		(3,091,526)	
Net cash used in financing activities			-		(3,091,526)
Net (decrease)/increase in cash and cash equivalents			(1,177,187)		1,477,767
Cash and cash equivalents at beginning of year			3,230,711		1,752,944
Cash and cash equivalents at end of year			2,053,524		3,230,711

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Eothen Homes Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 15 Berry Moor Court, Northumberland Business Park, Cramlington, Northumberland, NE23 7RZ, England.

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. 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 funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds are funds set aside by the Trustees out of unrestricted funds for specific future purpose or projects.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

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.

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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
Fixtures and fittings	15% on cost
Computers	33% on cost

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. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in profit and loss.

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 Taxation

The charities activities fall within the exemptions afforded by the provisions of The Corporation Taxes Act 2010. Accordingly, there is no taxation charge in these accounts.

1.11 Retirement benefits

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

1.12 Short term debtors and creditors

Debtors and creditors with no interest rate which are receivable or payable within one year are recorded at transaction price. Any loss arising from impairment are recognised immediately in profit and loss.

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

2 Donations and legacies

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Donations and gifts	2,400	31,008
Government grants	9,049	213,651
	<u>11,449</u>	<u>244,659</u>

3 Charitable activities

	Residential care fees 2023 £	Residential care fees 2022 £
Residential care fees	<u>5,387,772</u>	<u>4,785,258</u>

4 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Rental income	-	49,457
Income from listed investments	8,407	-
Interest receivable	15,060	11,055
	<u>23,467</u>	<u>60,512</u>

5 Other income

	Total Unrestricted funds general 2023 £	Total Unrestricted funds general 2022 £
Net gain on disposal of tangible fixed assets	<u>-</u>	<u>1,291,562</u>

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Charitable activities

	Residential care 2023 £	Residential care 2022 £
Staff costs	2,919,405	2,748,621
Depreciation and impairment	86,423	108,500
Rates and water	31,407	29,256
Insurance	72,674	48,230
Light and heat	137,462	101,712
Telephone, stationery and advertising	43,582	45,464
Sundries	17,342	17,102
Food	250,934	226,337
China, utensils and linen	7,349	10,366
Employment agency	258,813	30,182
Repairs and maintenance	318,543	361,848
Gardening	28,234	25,862
Cleaning and waste disposal	64,335	59,166
Training, travelling and subsistence	22,638	11,050
Legal and professional	3,805	1,786
Registration fees	20,347	25,150
Occupational therapy	10,144	6,043
	<u>4,293,437</u>	<u>3,856,675</u>
Share of support costs (see note 7)	476,843	537,543
Share of governance costs (see note 7)	5,300	6,400
	<u>4,775,580</u>	<u>4,400,618</u>

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	404,639	-	404,639	378,244	-	378,244
Depreciation	538	-	538	547	-	547
Property expenses	38,507	-	38,507	38,616	-	38,616
Motor and travelling costs	10,426	-	10,426	7,889	-	7,889
Legal and professional fees	4,619	-	4,619	2,593	-	2,593
Communications and information	9,081	-	9,081	10,620	-	10,620
Office expenses	3,512	-	3,512	4,645	-	4,645
Bank charges and interest	5,521	-	5,521	94,389	-	94,389
Audit fees	-	5,300	5,300	-	6,400	6,400
	<u>476,843</u>	<u>5,300</u>	<u>482,143</u>	<u>537,543</u>	<u>6,400</u>	<u>543,943</u>
Analysed between Charitable activities	<u>476,843</u>	<u>5,300</u>	<u>482,143</u>	<u>537,543</u>	<u>6,400</u>	<u>543,943</u>

8 Trustees

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

9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Residential	146	154
Central management and administration	7	7
Total	<u>153</u>	<u>161</u>
Employment costs	2023 £	2022 £
Wages and salaries	3,013,304	2,861,150
Social security costs	235,352	195,521
Other pension costs	75,388	70,194
	<u>3,324,044</u>	<u>3,126,865</u>

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

9 Employees

(Continued)

Key management remuneration totalled £175,984 (2022: £112,651).

The number of employees whose annual remuneration was £60,000 or more were:

	2023 Number	2022 Number
£70,001 to £80,000	-	1
£80,001 to £90,000	1	-

10 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.

11 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 April 2022	8,638,198	922,315	61,962	9,622,475
Additions	-	29,499	-	29,499
Disposals	-	(173,997)	(50,022)	(224,019)
At 31 March 2023	8,638,198	777,817	11,940	9,427,955
Depreciation and impairment				
At 1 April 2022	163,293	762,184	58,617	984,094
Depreciation charged in the year	-	75,005	538	75,543
Eliminated in respect of disposals	-	(164,598)	(47,215)	(211,813)
At 31 March 2023	163,293	672,591	11,940	847,824
Carrying amount				
At 31 March 2023	8,474,905	105,226	-	8,580,131
At 31 March 2022	8,474,905	160,132	3,345	8,638,382

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2022	-
Additions	1,939,100
Valuation changes	(26,098)
At 31 March 2023	1,913,002
Carrying amount	
At 31 March 2023	1,913,002
At 31 March 2022	-

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	22,272	44,302
Prepayments and accrued income	45,274	60,378
	67,546	104,680

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	68,279	47,907
Trade creditors	78,370	61,160
Other creditors	19,702	3,748
Accruals and deferred income	182,164	216,280
	348,515	329,095

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 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:

	Balance at 1 April 2022 £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Planned maintenance fund	395,221	(78,903)	107,930	424,248
Capital fund	8,638,382	-	(58,251)	8,580,131
	<u>9,033,603</u>	<u>(78,903)</u>	<u>49,679</u>	<u>9,004,379</u>

16 Purpose of Designated Funds

The planned maintenance fund has been set aside out of the unrestricted funds by the Trustees for future planned maintenance costs at the homes. The capital fund represents the value of the functional fixed assets held by the charity, net of borrowing. The Trustees consider that these assets form the core assets from which the charity operates and therefore do not consider them to be available to fund the day to day activities of the charity.

17 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

18 Indemnity Insurance

The charity paid for the insurance premiums to indemnify Trustees and senior staff from any loss arising from neglect of defaults of Trustees or staff and any consequent lost.

19 Company Limited by Guarantee

Eothen Homes Limited is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amounts as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20	Cash generated from operations	2023 £	2022 £
	Surplus for the year	621,010	1,981,373
	Adjustments for:		
	Investment income recognised in statement of financial activities	(23,467)	(60,512)
	Gain on disposal of tangible fixed assets	-	(1,291,562)
	Fair value gains and losses on investments	26,098	-
	Depreciation and impairment of tangible fixed assets	86,961	109,047
	Movements in working capital:		
	Decrease in debtors	37,134	99,550
	Increase/(decrease) in creditors	19,420	(59,818)
	Cash generated from operations	767,156	778,078
21	Analysis of changes in net funds		
	The charity had no debt during the year.		

EOTHEN HOMES LIMITED

England & Wales - Charity number 223262

Accounts

REGISTERED COMPANY NUMBER: 00482334 (England and Wales)
REGISTERED CHARITY NUMBER: 223262

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
EOTHEN HOMES LIMITED**

Robson Laidler Accountants Limited
Statutory Auditor
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
NE2 1TJ

EOTHEN HOMES LIMITED

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FOR THE YEAR ENDED 31 MARCH 2021**

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EOTHEN HOMES LIMITED

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021**

Registered Company number

00482334 (England and Wales)

Registered Charity number

223262

Registered office

15 Berrymoor Court
Northumberland Business Park
Cramlington
Northumberland
NE23 7RY

Trustees

Dr A D Shepherd
Mr A L McIlhinney
Mr I D Thomson
Ms M J Erny
Ms L D Marsh
Dr S Mishreki
Dr A Van Den Bos
Prof. A J Thomas

Chief Executive

Mrs J M Hearl

Company Secretary

Mrs B Wilson

Auditors

Robson Laidler Accountants Limited
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
NE2 1TJ

Bankers

Barclays Bank Plc
Wingrove Newcastle West Group
Newcastle upon Tyne

EOTHEN HOMES LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Ethos, values, aims and objectives

Eothen Homes is a respected and trusted well-established Christian charity founded in 1950. The Charity's objects ("the Objects") are to provide care for elderly persons, within a Christian framework and ethos. Our aim is to provide quality residential care and support, showing compassion and understanding, and providing a homely environment with safe, quality accommodation in which residents are treated with dignity and respect.

Care provided is flexible and individualised to meet physical, emotional, spiritual and social needs. Residents are encouraged to live life to the full, and enjoy a lifestyle based on each person's abilities, interests and life history.

We regard our employees as our greatest asset and base recruitment on our values to ensure we employ those who genuinely care. We continually invest in training and professional development to ensure staff are experienced, dedicated and skilled.

Our Values

Empathy: We will aim to understand other people's experiences and what is important to them, showing Christian commitment, compassion, love and kindness.

Openness: We will open our doors and our hearts, be approachable, accept others and always listen to feedback.

Trustworthiness: We will act with integrity and transparency in everything we do and provide a safe and secure environment.

Honesty: We will work together to act truthfully and promote open and honest communication.

Equality: We will treat everyone with respect and courtesy, promoting fair and inclusive practice..

Nurturing: We will value and respect everyone, creating a sense of belonging in a caring, safe and happy environment where people are supported to achieve their full potential.

Objectives for the year

The Coronavirus risk has continued and the homes were prepared for a second wave, flu and winter pressures. The risk assessment will be reviewed regularly and measures put in place to reduce the risks and manage a possible third outbreak. This will include providing extra staff, support, and a good stock of PPE for the homes.

We will ensure that our ethos continues to be reflected in our documentation, including the recruitment process and in providing information for prospective residents and their families. We will ensure our values and Objects are visible in print throughout the organisation, adding various wall art/posters.

Resident fees will be increased taking into account increases to the Real Living Wage, and additional staff employed in each home, in some cases the staff/resident ratio being increased for higher dependency of residents. A top up fee is also now requested where families are able to reduce the shortfall for funded residents, this has been particularly necessary at Wallsend where there is a big difference between fees for private/funded residents and the higher staff to resident ratio.

We will continue our commitment to the Real Living Wage and recruit staff using a values based recruitment procedure. We will train and develop all staff to have good attitudes and values, providing individualised care for our residents. We will stabilise the staff team at Gosforth and retain new staff with induction and support.

EOTHEN HOMES LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Objectives for the year (cont)

Introduce extra staff at each home who are flexible and able to work in all of our homes in the North East to reduce reliance on agency staff for vacancies, holiday and sickness cover.

Maintain the good CQC ratings achieved by all homes and aim for outstanding.

Review electronic medication system and consider/research electronic care planning systems for future implementation.

Review the model of care within the dementia specialist care facility at Wallsend, documenting our achievements to date and our focus for the future with the addition of a new household by converting the empty apartments. Continue to engage with the local community building a reserve of volunteers and expanding activities both in and outside of the home.

Develop and implement a guide for staff, explaining and demonstrating standards and expectations at Eothen, with information and photographs to be used for induction and training of new staff to ensure consistency of standards and service.

Focus training for the year ahead on the dementia model at Wallsend, and on all homes on achieving the highest standards of care we are able to provide for our residents, in line with our Ethos and Objects. We will also introduce feedback forms for staff to comment on content and delivery of training provided.

Review activities provided at all homes, consider increasing activity hours and provide more items of interest around the homes, such as birds, fish and activity equipment/areas of interest.

Refurbish the kitchen areas at Gosforth and consider extending the manager's office and lobby area to provide improved working space for admin and senior staff.

Review roles and responsibilities at head office, sharing some of the workload between roles whilst recruitment of an Operations Manager is on hold/under review.

Review our existing homes regarding their future fitness for purpose and implement a plan to address the current issues of age of the buildings and ongoing maintenance.

Strategies employed to achieve objectives

The trustees and senior management team continue to review the performance of the charity and plan for the future, and we aim to ensure the organisation is secure and able to develop, whilst remaining a manageable size, so that quality of care is not compromised and the charity's aims, objectives and values continue to be met.

Eothen currently has the capacity to provide care and support for 124 individuals (a decrease this year of 37), 72 residential care, 52 specialist dementia care and 9 independent living bungalows. In the North East our homes are located at Gosforth, Whitley Bay and Wallsend and are purpose built. Our home in Sutton, Surrey was closed on 18th December, 2020 and has in addition 9 detached bungalows which remain occupied.

We employ 165 staff and are also supported by families, friends and volunteers from the local community. We provide good terms and conditions of employment and are accredited as a Real Living Wage employer.

We measure our success with feedback from the people who benefit from our services and the quality of care we provide by conducting annual client surveys. In 2020, we achieved an overall client satisfaction score of 90.7%. Our www.carehome.co.uk group rating is 9.7. There are 2,263 care home groups on this site and Eothen is in the top 20.

We will continue to reinvest our operating surplus to maintain the quality of accommodation currently provided and to improve our facilities.

In the future, we aim to replace our existing homes with modern purpose-built facilities which will benefit and support the ageing population and those living with dementia.

EOTHEN HOMES LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Strategies employed to achieve objectives (cont)

We provide 24-hour person centred residential care and support at Gosforth, Whitley Bay and Sutton (up to December, 2020), with full and varied activity programmes and Christian fellowship to meet the needs of each individual. We aim for our residents to live at Eothen as long as possible, working with health care professionals to provide end of life care and full support for both the residents and their families.

Respite care is provided if rooms are available as well as day care for those in the community who may be lonely and need extra support, this has been limited due to the coronavirus pandemic. Our specialist facility at Wallsend provides small scale household living using the 'butterfly model of care', designed to provide freedom and choice for those living with dementia. Families, friends and visitors are supported and have received regular contact through the pandemic via emails and phone calls.

Independent living continues to be provided at Sutton, with nine bungalows available for rent for those over the age of 65 who may have a specific physical, emotional or financial need.

STRATEGIC REPORT

Achievement and performance

Charitable activities

Our Aims, Objectives and Values continue to be embedded throughout the organisation and we have reviewed and updated our website and the 'Eothen brand and Logo' to create a fresh new image which will be launched in 2021.

The Coronavirus pandemic had a huge impact on the care sector, not just from outbreaks and deaths, but also because families lost confidence in the safety of care homes and were reluctant to place their loved ones into a care setting when they were unable to visit to assess suitability.

Despite this, the three homes in the North East continued to have enquiries and admissions, though this was less so at Wallsend. However, at Sutton enquiries ceased completely, further exacerbated by high numbers of discharges, reducing occupancy. In the light of this coupled with high refurbishment costs and forecast financial losses, a decision was made to close the home with staff being made redundant on 31st January 2021. The bungalows on site have continued to be occupied and security is maintained at the home through Live In Guardians.

All homes have adapted to the sustained coronavirus pandemic and alterations have been made to the buildings to accommodate safe and secure visiting. Firstly, visiting booths were created, and latterly permanent visiting rooms which enable easy access directly from outside to avoid the public coming into the home to visit the residents.

Care homes have benefited from several government grants, the funds being allocated by local authorities. This has increased our income, improved our financial results and funded alterations to assist with safe visiting. The funds were provided in advance and evidence of expenditure is required for some of the grants, particularly with the Rapid Flow Testing, to which we have found it difficult to allocate specific costs. If the funds are not used, the balance has to be returned at the end of the period. Funds have assisted with staff bonus, sickness and isolation, fees at Wallsend, visiting rooms and testing.

We have maintained commitment to our staff by continuing to pay the Real Living Wage. Our training and development program has been suspended during periods of lockdown and the training officer was furloughed for the final quarter of the year.

Staff have been supported by Eothen throughout the pandemic and were awarded a 10% financial bonus on hours worked during the first period of lockdown and also during a serious outbreak at Whitley Bay at the end of the year. We have also provided little gifts throughout the year to boost morale. We have focussed on mental health issues and wellbeing, providing helpline numbers and details on how to access support if required. A Wellness Action Plan, which was recommended through MIND, has been introduced,

Independent living accommodation at Wallsend has been converted to a new household with 12 additional bedrooms for those living with Dementia.

EOTHEN HOMES LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Achievement and performance

Charitable activities (cont)

The sustained Coronavirus pandemic has created challenges and staff are no longer able to work in other care homes, even within the organisation, which has also limited the provision of training. We have therefore converted the café area at Wallsend into a training facility and visiting room, which gives visitors direct access to these facilities without having to enter the main areas of the home.

The CQC and local authorities suspended inspections and we therefore maintain the good CQC ratings at all homes and Grade 1 local authority ratings.

Eothen was successfully launched on social media and the homes and residents have made several appearances on TV and radio both locally and nationally which has helped raise our profile. Social media has been particularly useful to keep in touch with families during the pandemic.

Key performance indicators

- Occupancy
- Financial surplus
- Resident & Relative satisfaction
- Employee satisfaction

Public Benefit

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and are confident that Eothen can continue to meet the public benefit now and into the future in the following ways:

Providing care and accommodation for all. We accept those who are fully self-funded and those who are partially or fully subsidised by other means, such as the local authority and the NHS, which provides continuing health care.

Residents pay an economic fee for their care, some of which may be partially or fully payable by a local authority. The local authority fee rate is substantially lower than the cost of care and a family top up is requested for Local Authority funded residents to help bridge the gap.

Our Ethos is one of inclusion and in practical terms we are committed to equality and diversity welcoming residents and staff from different backgrounds and communities. Residents are encouraged to join in all activities in the homes and out in the local community, where each individual can maintain his or her own interests and faith.

We are approved to provide placements for student nurses from Northumbria University and work experience for health and social care students from local colleges, although these placements were suspended during 2020/21 due to the Coronavirus pandemic. Students experience good quality care of the elderly and can learn and develop new skills and knowledge to benefit their future careers in the care sector. We hope to welcome students back to the homes in the future.

Health care professionals and staff from other care homes are encouraged to visit our specialist dementia care facility in Wallsend to observe the 'butterfly model of care', see how the households work in practice, and thus be able to share and promote the benefits of the model within social care generally, and in the local area; again, this has been put on hold due to the pandemic.

We are actively involved in various projects within social care, sharing knowledge, participating in trials and working with other providers to improve care of older people and those living with dementia.

Eothen Homes does not actively raise funds but all donations are welcome and are used directly for the benefit of our residents, usually for activity equipment, garden furniture or specific projects.

EOTHEN HOMES LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Financial review

Reserves policy

The trustees have considered the level of reserves which should be maintained by the charity and this is reviewed at board meetings. Reserves may be needed to cover unexpected shortfalls in charitable income and other contingencies, as currently demonstrated with the Coronavirus pandemic.

Undesignated free reserves (excluding capital assets) as at 31 March 2021 amounted to £986,267. The Trustees consider this level of free reserves to be adequate to support the operation of the three homes for the foreseeable future.

The Trustees have considered the most appropriate policy for investing cash resources and have decided that term bank deposits with a variety of banks meet their requirements of a reasonable rate of return with a spread of risk and predictable accessibility to the funds. This will be reviewed at the AGM in July 2021. The trustees also consider that £500,000 is a sufficient minimum financial reserve.

The Trustees ceased the depreciation of buildings in 2002 and established the Planned Maintenance Fund. The fund is topped up by an annual transfer of 2% of fee income generated by all homes. Planned works such as decoration and general refurbishment of the homes are funded from this. In the event of major works, an additional transfer from undesignated free reserves may be agreed.

The balance on the planned maintenance fund is £483,168 which along with the transfer from fees is considered adequate to fund the planned expenditure in the coming year. The Trustees monitor the level of this fund on an annual basis.

Future plans

To recover from the effects of coronavirus, increasing and maintaining occupancy and income, mainly at Wallsend. To generate a surplus for the home sufficient to increase and build our cash reserves to fund a future new development.

The Coronavirus risks continue and the risk assessment will continue to be regularly updated and measures put in place to reduce the risks and manage any outbreaks. The homes are being prepared for a third wave, flu and winter pressures. Extra staff and support and a good stock of PPE will be provided for the homes.

To open the new 'Churchill' household at Wallsend increasing total occupancy from 52 to 64 residents, including an advertising campaign focusing on the Wallsend facility to improve occupancy and financial viability.

To manage a successful sale of the site at Sutton in excess of £3.5 million which could enable repayment in full of the term loan which is due for review in November, 2021. We will encourage any potential purchaser to be sympathetic to retaining the tenancies for those living in the bungalows for the foreseeable future.

To launch the new 'Eothen' brand, updating our website, signage and paperwork, and to ensure that our ethos is reflected in the day to day activities of the Charity, in all of our documentation, throughout the recruitment process and in providing information to prospective residents and their families. We will ensure our values are visible in print throughout the organisation, adding various wall art/posters.

Resident fees will be increased taking into account increases to the Real Living Wage and additional staff employed in each home, in some cases the staff/resident ratio being increased for higher dependency of residents. A top up fee is requested where families are able to reduce the shortfall for funded residents. This has been particularly necessary at Wallsend, where there is a considerable difference between fees for private and funded residents, and a higher staff to resident ratio.

Continue our commitment to the Real Living Wage and recruit staff using a values based recruitment procedure; also train and develop all staff to have good attitudes and values, providing individualised care for our residents.

EOTHEN HOMES LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Future plans (cont)

Open and develop the new training facility in Wallsend, working towards the provision of training for other care home providers, which will raise our profile and potentially generate some income. Training focus for the year ahead will be on the dementia model at Wallsend, and in all homes, through training and development we will seek to achieve the highest possible standards of care for our residents, in line with our Ethos.

Maintain the good CQC ratings achieved by all homes and aim for outstanding.

Research electronic care planning systems for future implementation.

Develop and implement a 'standards' guide for staff, explaining Eothen's expectations, with information and photographs to be used for induction and training of new staff, hence ensuring consistency of standards and service.

Review activities provided at all homes, consider increasing activity hours and provide more interest around the homes, such as birds, fish and activity equipment/areas of interest.

Review our existing homes, to assess their future fitness for purpose and implement a plan to address the issues of age of the buildings and ongoing maintenance.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Eothen Homes Limited is a Company limited by guarantee, governed by Articles of Association adopted on 13 December 2017 (previously governed by the Memorandum and Articles of Association dated 8 May 1950, amended on 27 September 1988 and 10 May 2010). The Company's registration number is 0482334. It is registered as a charity with the Charity Commission, number 223262. There are currently eight members, each of whom agrees to contribute £1 in the event of the charitable company being wound up.

The charity's object and principal activity (as described in the articles) is;

"to provide care for elderly persons within a Christian Framework and Ethos", by the following means:

Providing appropriate accommodation, items, services or facilities calculated to relieve the needs of such persons, and by the provision of carers and by the provision of regular support and training for such carers."

Recruitment and appointment of new trustees

The board consists of voluntary trustees, (members), who are committed Christians. Trustees have statutory responsibilities but they receive no remuneration. They visit the homes when possible to keep up to date and allow opportunities to meet residents and staff. They also attend briefings and training courses as appropriate.

The recruitment process follows charity commission guidelines in making sure there is an appropriate range of skills, knowledge and experience amongst its members. Existing trustees approach candidates who are invited to attend a Trustee meeting, initially as an observer. If they are considered suitable for the role of trustee, the relevant checks and references are obtained before being invited to join the board.

New Trustees are given an induction pack which includes constitutional documents, a brief history of Eothen Homes, governance information and any information relevant to the work of the charity. All members receive a copy of the magazine for trustees 'Governance' in order to keep them up to date with their role and responsibilities and are directed to read the charities commission Governance code.

Trustees are appointed for a three year term, after which time they are invited to stand for re-election.

The Trustees retiring by rotation who were re-elected in 2020 were Mr Ian Thomson and Dr Andrew Shepherd.

EOTHEN HOMES LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The board of trustees have responsibility for the overall leadership and direction of the charity. The trustees meet at least 3 times per year and are provided with financial reports quarterly, to enable them to review and approve long term objectives, strategy, policies, budget and compliance with the Charity Commissions Governance code. The trustees delegate the day to day operation of the charity and its services to the Chief Executive.

Employees

We are an equal opportunities organisation, committed to providing a happy, safe and comfortable environment for all staff, volunteers and students. We aim to recruit staff who will embrace our Christian ethos, values and model of care.

We are committed to providing good terms and conditions of employment for all staff and we are an accredited Real Living Wage employer. We strive to improve benefits for staff and in 2018 introduced a Bupa cash back scheme. Our reputation for quality provision and service makes Eothen an employer of choice. We also provide bespoke in-house training, personal development and career opportunities.

We will continue to communicate, consult with, and listen to our staff. We will offer this through a new forum, bringing together staff from all homes, as well as the annual opportunity to provide feedback through questionnaires, individual reviews and meetings.

Risk management

The trustees review strategic risk regularly, a comprehensive risk register is maintained which is subject to review at board meetings. The risk register identifies risks likely to affect the charity's ability to meet its aims and objectives in areas of Governance and Management, Financial and Legal, Regulatory compliance and any other external factors.

Over the coming year, the main risk is likely to be the global effect of Coronavirus on the economy and, for Eothen, the reduction in our occupancy and surplus which may make it more difficult to comply with the financial obligations of the term loan with Barclays. We have, however, a healthy cash surplus currently available, and it is hoped that funds raised from the sale at Sutton would also be available to pay off the term loan, if appropriate. The reduced occupancy at Wallsend will take some time to recover, which could be exacerbated by any further wave of Coronavirus and Flu or periods of lockdown. However, 99% of residents and 87% of staff have had their first coronavirus vaccinations, and residents will continue to have the annual flu jab, which has also been extended to staff.

Systems and policies are in place to reduce or mitigate any risk and these are monitored and appropriate actions taken if required.

Financial Risk management.

Eothen operates robust and secure financial systems with safe accounting procedures in place and the trustees are aware of their duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Financial risks are identified as part of the annual business review process and are monitored on a regular basis. Financial performance is reported to the trustees by the finance manager, which may be subject to further scrutiny as determined by the board.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

EOTHEN HOMES LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

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

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

In so far as the trustees are aware:

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

AUDITORS

The auditors, Robson Laidler Accountants Limited, will be proposed for appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30 JULY 2021 and signed on the board's behalf by:

I. D. Thomson
Mr I D Thomson - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
EOTHEN HOMES LIMITED (REGISTERED NUMBER: 00482334)**

Opinion

We have audited the financial statements of Eothen Homes Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
EOTHEN HOMES LIMITED (REGISTERED NUMBER: 00482334)**

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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:

The risk of material misstatement due to error or fraud is deemed to be low within the entity as the charity operate strong internal controls to mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Other substantive testing is also performed on all material balances and therefore any instances of non-compliance should be identified or considered as insignificant. Manual journal entries are scrutinised by data analytics software used as part of the audit.

The laws and regulations which are considered to be significant to the entity relate to health and safety. Discussions are held with management to determine whether any breaches have occurred as well as legal expenditure being scrutinised for any evidence on non-compliance.

The audit was considered capable of identifying irregularities only to the extent of the substantive testing performed and from discussions with management.

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 MEMBERS OF
EOTHEN HOMES LIMITED (REGISTERED NUMBER: 00482334)**

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.

MM

Michael Moran FCA (Senior Statutory Auditor)
for and on behalf of Robson Laidler Accountants Limited
Statutory Auditor
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
NE2 1TJ

Date: 13 August 2021

EOTHEN HOMES LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
<i>Donations and legacies</i>	2	377,049	-	377,049	497
Charitable activities	4				
Residential care		4,791,847	-	4,791,847	5,745,215
Investment income	3	118,349	-	118,349	136,180
Other income		120,827	-	120,827	-
Total		5,408,072	-	5,408,072	5,881,892
EXPENDITURE ON					
Charitable activities	5				
Residential care		5,167,278	-	5,167,278	5,344,479
Net gains/(losses) on investments		(436,070)	-	(436,070)	-
NET INCOME/(EXPENDITURE)		(195,276)	-	(195,276)	537,413
RECONCILIATION OF FUNDS					
Total funds brought forward		9,858,581	-	9,858,581	9,321,168
TOTAL FUNDS CARRIED FORWARD		9,663,305	-	9,663,305	9,858,581

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	11	10,186,570	10,101,717
Investment property	12	1,000,000	1,436,070
		<u>11,186,570</u>	<u>11,537,787</u>
CURRENT ASSETS			
Debtors	13	204,230	133,236
Cash at bank and in hand		1,752,944	1,781,009
		<u>1,957,174</u>	<u>1,914,245</u>
CREDITORS			
Amounts falling due within one year	14	(586,597)	(501,924)
		<u>1,370,577</u>	<u>1,412,321</u>
NET CURRENT ASSETS			
		<u>12,557,147</u>	<u>12,950,108</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>9,663,305</u>	<u>9,858,581</u>
CREDITORS			
Amounts falling due after more than one year	15	(2,893,842)	(3,091,527)
		<u>9,663,305</u>	<u>9,858,581</u>
NET ASSETS			
		<u>9,663,305</u>	<u>9,858,581</u>
FUNDS	19		
Unrestricted funds		9,663,305	9,858,581
TOTAL FUNDS		<u>9,663,305</u>	<u>9,858,581</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 March 2021 and were signed on its behalf by:

I. D. Thomson
Mr I D Thomson - Trustee

EOTHEN HOMES LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	410,321	670,572
Net cash provided by operating activities		410,321	670,572
Cash flows from investing activities			
Purchase of tangible fixed assets		(250,676)	(47,579)
Interest received		9,975	14,785
Net cash used in investing activities		(240,701)	(32,794)
Cash flows from financing activities			
Loan repayments in year		(197,685)	(197,684)
Net cash used in financing activities		(197,685)	(197,684)
Change in cash and cash equivalents in the reporting period		(28,065)	440,094
Cash and cash equivalents at the beginning of the reporting period		1,781,009	1,340,915
Cash and cash equivalents at the end of the reporting period		1,752,944	1,781,009

The notes form part of these financial statements

EOTHEN HOMES LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

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

	2021 £	2020 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(195,276)	537,413
Adjustments for:		
Depreciation charges	124,184	135,682
Losses on investments	436,070	-
Loss on disposal of fixed assets	41,640	488
Interest received	(9,975)	(14,785)
(Increase)/decrease in debtors	(70,995)	73,990
Increase/(decrease) in creditors	84,673	(62,216)
Net cash provided by operations	410,321	670,572

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	1,781,009	(28,065)	1,752,944
	<u>1,781,009</u>	<u>(28,065)</u>	<u>1,752,944</u>
Debt			
Debts falling due within 1 year	(197,684)	-	(197,684)
Debts falling due after 1 year	(3,091,527)	197,685	(2,893,842)
	<u>(3,289,211)</u>	<u>197,685</u>	<u>(3,091,526)</u>
Total	(1,508,202)	169,620	(1,338,582)

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Statement of compliance

Eothen Homes Limited is an incorporated charity (charity number: 223262). The registered office is based at 15 Berrymoor Court, Northumberland Business Park, Cramlington NE23 7RY.

The financial statements have been prepared on a going concern basis on the ground that current and future sources of funding or support will be more than adequate for the charity's needs. The Trustees have considered a period of 12 months from the balance sheet date and consider no further disclosures relating to the charity's ability to continue as a going concern need to be made.

Eothen Homes meets the definition of a public benefit entity entry under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial accounts are prepared in Sterling (£).

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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	- not depreciated
Fixtures and fittings	- 15% on cost
Computer equipment	- 33% on cost

In view of the maintenance programme in place at the homes, the Trustees consider any provision for depreciation of freehold properties to be immaterial and accordingly no provision is made. The carrying value of the freehold properties is reviewed annually for impairment by the Trustees.

Impairment of fixed assets

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in profit and loss.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity activities fall within the exemptions afforded by the provisions of the Corporation Taxes Act 2010. Accordingly, there is no taxation charge in these accounts.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme for its staff. The scheme and its assets are held by independent managers. The pension charge in the financial statements represents contributions due from the charitable company for the year.

Fund accounting

Funds held by the charitable company are either:

- Unrestricted general fund - these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees;
- Designated funds - these are funds set aside by the Trustees out of unrestricted funds for specific future purposes or projects;
- Restricted funds - these are funds that 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 purposes.

Cash and cash equivalents

Cash and cash equivalents comprises cash in hand and current balances with banks and other institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

Short term debtors and creditors

Debtors and creditors with no interest rate which are receivable or payable within one year are recorded at transaction price. Any loss arising from impairment are recognised immediately in profit and loss.

2. DONATIONS AND LEGACIES

	2021 £	2020 £
Donations	3,277	497
Grants	373,772	-
	<u>377,049</u>	<u>497</u>

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

	2021 £	2020 £
Government grants	373,772	-

EOTHEN HOMES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

3. INVESTMENT INCOME

	2021 £	2020 £
Rents received	108,374	121,395
Deposit account interest	9,975	14,785
	<u>118,349</u>	<u>136,180</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Fees from residents	Residential care	<u>4,791,847</u>	<u>5,745,215</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Residential care	<u>4,630,972</u>	<u>536,306</u>	<u>5,167,278</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	3,475,133	3,446,997
Rates and water	47,165	41,597
Insurance	39,722	39,443
Light and heat	122,317	135,861
Telephone	12,143	13,344
Postage and stationery	11,452	13,508
Advertising	25,151	16,092
Sundries	29,164	17,826
Food	217,843	262,426
China, utensils, linen	4,546	10,680
Employment agency	15,100	186,374
Repairs and maintenance	262,633	266,357
Gardening	44,485	46,683
Cleaning and waste disposal	108,326	66,668
Travelling and subsistence	2,836	4,626
Legal and professional	12,883	10,078
Registration fees	24,510	24,775
Training	1,156	5,695
Occupational therapy	9,084	25,736
Depreciation	123,683	134,478
Loss on sale of assets	41,640	488
	<u>4,630,972</u>	<u>4,769,732</u>

EOTHEN HOMES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

7. SUPPORT COSTS

	Management £	Finance £	Totals £
Residential care	<u>530,546</u>	<u>5,760</u>	<u>536,306</u>

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

Management

	2021 Residential care £	2020 Total activities £
Wages	322,688	320,846
Social security	33,263	33,271
Pensions	24,634	23,859
Property expenses	30,900	24,306
Motor and travelling costs	5,358	16,751
Legal and professional fees	2,566	9,041
Communications and information technology	8,462	9,637
Office expenses	2,901	24,123
Bank charges and interest	99,273	103,708
Depreciation	501	1,204
	<u>530,546</u>	<u>566,746</u>

Finance

	2021 Residential care £	2020 Total activities £
Audit fee	5,760	5,640
Trustees meeting costs	-	2,361
	<u>5,760</u>	<u>8,001</u>

8. NET INCOME/(EXPENDITURE)

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

	2021 £	2020 £
Depreciation - owned assets	124,184	135,682
Deficit on disposal of fixed assets	41,640	488
Amounts paid to key management	110,824	102,728
Auditors fees	<u>5,760</u>	<u>5,640</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

During the year travel expenses of £nil (2020: £2,437) were reimbursed to a total of nil Trustees (2020: 6 Trustees).

10. STAFF COSTS

	2021 £	2020 £
Wages and salaries	3,530,461	3,502,673
Social security costs	239,645	236,836
Other pension costs	85,612	85,464
	<u>3,855,718</u>	<u>3,824,973</u>

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

	2021	2020
Residential	203	198
Central management and administration	8	8
	<u>211</u>	<u>206</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	<u>1</u>	<u>1</u>

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2020	10,135,987	1,166,757	74,668	11,377,412
Additions	219,246	31,430	-	250,676
Disposals	-	(304,382)	(15,931)	(320,313)
At 31 March 2021	10,355,233	893,805	58,737	11,307,775
DEPRECIATION				
At 1 April 2020	401,995	800,682	73,018	1,275,695
Charge for year	-	123,032	1,152	124,184
Eliminated on disposal	-	(263,241)	(15,433)	(278,674)
At 31 March 2021	401,995	660,473	58,737	1,121,205
NET BOOK VALUE				
At 31 March 2021	9,953,238	233,332	-	10,186,570
At 31 March 2020	9,733,992	366,075	1,650	10,101,717

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2020	1,436,070
Revaluation	(436,070)
At 31 March 2021	1,000,000
NET BOOK VALUE	
At 31 March 2021	1,000,000
At 31 March 2020	1,436,070

Investment property is shown at the most recent valuation. Any aggregate surplus or deficit arising from changes in market value are recognised in the Statement of Financial Activities.

The investment properties form part of the Sutton home and have been valued at £1,000,000.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	26,002	91,467
Prepayments and accrued income	178,228	41,769
	<u>204,230</u>	<u>133,236</u>

EOTHEN HOMES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 16)	197,684	197,684
Trade creditors	62,247	60,772
Social security and other taxes	44,248	48,372
Other creditors	8,930	14,470
Accrued expenses	273,488	180,626
	<u>586,597</u>	<u>501,924</u>

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

	2021	2020
	£	£
Bank loans (see note 16)	<u>2,893,842</u>	<u>3,091,527</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>197,684</u>	<u>197,684</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>197,684</u>	<u>197,684</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>593,053</u>	<u>593,053</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	2,103,105	2,300,790

17. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank loans	<u>3,091,526</u>	<u>3,289,211</u>

Security is given in the form of a charge over the land at Wallsend.

EOTHEN HOMES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets	10,186,570	-	10,186,570	10,101,717
Investments	1,000,000	-	1,000,000	1,436,070
Current assets	1,957,174	-	1,957,174	1,914,245
Current liabilities	(586,597)	-	(586,597)	(501,924)
Long term liabilities	(2,893,842)	-	(2,893,842)	(3,091,527)
	<u>9,663,305</u>	<u>-</u>	<u>9,663,305</u>	<u>9,858,581</u>

19. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	1,147,044	219,352	(380,129)	986,267
Planned maintenance	484,961	21,442	97,592	603,995
Revaluation fund	1,328,345	(436,070)	-	892,275
Capital Fund	6,898,231	-	282,537	7,180,768
	<u>9,858,581</u>	<u>(195,276)</u>	<u>-</u>	<u>9,663,305</u>
TOTAL FUNDS	<u>9,858,581</u>	<u>(195,276)</u>	<u>-</u>	<u>9,663,305</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	5,287,245	(5,067,893)	-	219,352
Planned maintenance	120,827	(99,385)	-	21,442
Revaluation fund	-	-	(436,070)	(436,070)
	<u>5,408,072</u>	<u>(5,167,278)</u>	<u>(436,070)</u>	<u>(195,276)</u>
TOTAL FUNDS	<u>5,408,072</u>	<u>(5,167,278)</u>	<u>(436,070)</u>	<u>(195,276)</u>

EOTHEN HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	758,109	612,808	(223,873)	1,147,044
Planned maintenance	445,576	(75,395)	114,780	484,961
Revaluation fund	1,328,345	-	-	1,328,345
Capital Fund	6,789,138	-	109,093	6,898,231
	<u>9,321,168</u>	<u>537,413</u>	<u>-</u>	<u>9,858,581</u>
TOTAL FUNDS	<u>9,321,168</u>	<u>537,413</u>	<u>-</u>	<u>9,858,581</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,881,892	(5,269,084)	612,808
Planned maintenance	-	(75,395)	(75,395)
	<u>5,881,892</u>	<u>(5,344,479)</u>	<u>537,413</u>
TOTAL FUNDS	<u>5,881,892</u>	<u>(5,344,479)</u>	<u>537,413</u>

Transfers between funds

During the year, the Trustees approved a further designation of £97,592 (2020: £114,780 into the Planned Maintenance Fund for future expenditure in maintaining the freehold land and buildings.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

21. PURPOSE OF DESIGNATED FUNDS

The planned maintenance fund has been set aside out of the unrestricted funds by the Trustees for future planned maintenance costs at the homes. The capital fund represents the value of the functional fixed and investment assets held by the charity, net of borrowing. The Trustees consider that these assets form the core assets from which the charity operates and therefore do not consider them to be available to fund the day to day activities of the charity. The revaluation fund represents in change in value of the investment properties held by the charity.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

22. INDEMNITY INSURANCE

The charity paid for the insurance premiums to indemnify Trustees and senior staff from any loss arising from neglect of defaults of Trustees or staff and any consequent loss.

23. COMPANY LIMITED BY GUARANTEE

Eothen Homes Limited is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amounts as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

24. POST BALANCE SHEET EVENTS

Since the end of the financial year, with the ongoing impact of the Coronavirus pandemic and the related Government policies on social distancing, the charity has been forced to continue to adapt its service delivery. The Trustees are aware of the potential financial impact of these measures and have made additional disclosure within the Trustees report in relation to this.