

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>

EOTHEN HOMES LIMITED

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	<u>2,103,105</u>	<u>2,300,790</u>

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.

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.