

Company registration number: 00966770

Charity registration number: 260355

Three Roses Homes Limited

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

## Three Roses Homes Limited

### Contents

|                                         |          |
|-----------------------------------------|----------|
| Reference and Administrative Details    | 1        |
| Trustees' Report                        | 2 to 6   |
| Statement of Trustees' Responsibilities | 7        |
| Independent Auditors' Report            | 8 to 10  |
| Statement of Financial Activities       | 11 to 12 |
| Balance Sheet                           | 13       |
| Statement of Cash Flows                 | 14       |
| Notes to the Financial Statements       | 15 to 25 |

## **Three Roses Homes Limited**

### **Reference and Administrative Details**

|                                    |                                                                                                              |
|------------------------------------|--------------------------------------------------------------------------------------------------------------|
| <b>Trustees and Directors</b>      | Mr CD Bolstridge<br>Dr AA Hare<br>Mr JR Wilson<br>Mrs B Byfield-Jones<br>Mr R Timmins                        |
| <b>Other Trustees</b>              | Mrs S Williams                                                                                               |
| <b>Secretary</b>                   | Mr CD Bolstridge                                                                                             |
| <b>Principal Office</b>            | Three Roses Homes Limited<br>Bromsgrove Road<br>Clent<br>Stourbridge<br>West Midlands<br>DY9 9QP             |
| <b>Company Registration Number</b> | 00966770                                                                                                     |
| <b>Charity Registration Number</b> | 260355                                                                                                       |
| <b>Bankers</b>                     | Barclays Bank plc                                                                                            |
| <b>Auditor</b>                     | Ballards LLP<br>Oakmoore Court<br>Kingswood Road<br>Hampton Lovett<br>Droitwich<br>Worcestershire<br>WR9 0QH |

## **Three Roses Homes Limited**

### **Trustees' Report**

The trustees, most of whom are also directors of the charity for the purposes of Companies Act 2006, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2024.

#### **Objectives and activities**

##### ***Objects and aims***

The main objective of the charity is to provide residential care for adults with learning disabilities.

The directors have continued to meet this objective by:

- Providing a high standard of accommodation at the residential building at Holy Cross, Clent
- Ensuring that the manager and her team remain highly motivated and trained
- Providing varied activities to ensure that all residents remain motivated and enriched

Our standards are underpinned by those laid down by the Care Quality Commission (CQC), who inspect the home on a regular basis. The Registered Manager is tasked with maintaining these standards, and the Trustees take advice to ensure any inspections will meet those standards and correct any failings as soon as possible. The Trustees have established and implemented a financial control system, with a view to keep income and costs under control on a monthly basis.

##### ***Objectives, strategies and activities***

The main activity of the charity continues to be provision of care for the residents, which, with the increasing age and frailty of many of our residents, we are planning developments within the building to suit their changing needs, with more space for them to have peace and quiet.

In addition to residential care, we are continuing to operate day care services.

In planning our activities for the year we kept in mind the Charity Commission's guidance on public benefit at our trustee meetings.

##### ***Use of volunteers***

The directors wish to acknowledge the excellent contribution made by all the team of staff and volunteers in their efforts on behalf of the charity.

## Three Roses Homes Limited

### Trustees' Report

#### Achievements and performance

##### *Charitable activities*

The 2023-24 financial year marks the 52nd year that the home has been open.

We are pleased to say that the 2024 Health & Safety and Fire Risk Assessments have improved this year, following the improvements that we made to these in 2023-24.

There have been no changes to the trustees / directors through the year.

Management restructuring during the 2023-24 year, which was necessary for financial compliance and operational resilience reasons, has led to increased one-off costs in terms of redundancy pay and professional support over the year, but this should lead to cost-saving from 2024-25 onwards. These changes enabled us to achieve compliance with Charity Commission requirements on financial controls, as well as more efficiency and transparency in our financial management processes.

##### *Fundraising activities*

We continued fundraising activities in 2023-24, most notably the Autumn Fayre.

However, in early 2023, our paid part-time fundraiser resigned from her role and we have deferred a decision on employing another paid fundraiser, in the meantime being dependent upon volunteers and staff giving up their free time. In addition, the disestablishment of the Commercial Manager position in May 2023, meant that there was no one whose specific role was to coordinate the fundraising, and so the Registered Manager has stepped in.

##### *Internal and external factors*

The trustees have made a full assessment of the internal and external factors that may affect these financial statements.

Immediately after the end of our financial year, we obtained a valuation of the property, in readiness for the audit that would be necessary with our turnover to exceed £1 million.

We have had full occupancy (14 residents) throughout 2023-24 alongside payment by their funders, resulting in a healthy income.

With heavy rain in Autumn 2023, there have been some issues with the roof, leading to a modest expenditure to deal with the immediate problem, plus the conclusion that reroofing would be required within a few years with an estimated budget in the order of £100,000.

##### *Financial position*

The charity is in a satisfactory financial position with net assets of £1,594,243 (2023 - £790,366). The statement of financial activities shows an increase in funds of £803,877, compared to a reduction of £7,282 in 2023. The increase in 2024 is due to the property revaluation gain of £702,612.

##### *Principle funding sources*

The principal funding sources of the charity are fees in respect of care provided, which are charged to various local authorities and integrated care boards. Payment for our day care attendees is made from either their personal funds or their care package.

Donations continue to provide a valuable source of additional income, as well as our active local fundraising programme to improve the fabric of the property and provide additional benefits to residents. With no deaths among our residents through 2023-24, this time there were no legacies.

## **Three Roses Homes Limited**

### **Trustees' Report**

#### ***Reserves policy***

The directors aim to keep sufficient free reserves not only to cover short-term fluctuations in cash flow, such as a delay in receiving funding to provide increased care needs of residents but, furthermore, in the event that government funding should cease, also to be able to enable care to continue in the short-term whilst residents were re-homed and to pay staff redundancies. Our regular expenditure has increased significantly in recent years and, due to a combination of inflation and the increasing complex needs of our residents, we have reached the target level of free reserves required at £250,000, approximating to our anticipated average quarterly expenditure for 2024-25. We will review the value of the reserves required annually. These reserves exclude funds earmarked for future capital expenditure, currently for the anticipated new roof.

#### ***Principal risks and uncertainties***

The risks relate primarily to the loss of residents (through death or that we cannot provide the care that they need), the increasing amount, and hence cost, of care as residents become more infirm, void periods whilst we go through a complex process of taking on new residents, and the fact that our fees, both for the basic care costs and for additional 1:1 care, are negotiated with Social Services rather than dictated by us as a provider.

#### ***Future plans***

The primary objective remains the provision of a safe and secure family-like environment, in which residential [which may include respite care] and day care is provided to adult special needs service users. The trustees are aware that local authorities are under pressure to reduce their costs, and the funding of social care is not always forthcoming. Our fund-raising policy is based on the day-to-day cost of running the home being covered by fees. The cost of major essential and various discretionary projects, holidays, outings etc for residents to be met by a combination of local fundraising and applications to grant-making bodies where appropriate, and to fundraise locally to provide for various projects, holidays, outings etc. for our residents. Currently, we anticipate applying for grants, and, if necessary, fundraising to top up the money we have set aside for the new roof.

### **Structure, governance and management**

#### ***Nature of governing document***

The charity is controlled by its governing document, the Memorandum and Articles of Association, and is a limited company, limited by shares.

The charity is controlled by its governing document, the Memorandum and Articles of Association, and is a limited company, limited by shares. Since the end of the 2023-24 financial year, a Trust Deed dated 1990 has come to light, the existence of which none of the members of the company were hitherto aware. Legal advice has been obtained, and as a consequence, steps are being taken to make a few administrative changes at Director / Trustee / Shareholder level, going forward.

#### ***Recruitment and appointment of trustees***

New directors / trustees are recommended by one of the existing directors / trustees on the basis of their knowledge of such candidates. They meet informally with the directors / trustees who make a decision as to the suitability of the candidate taking into account the particular skills and expertise that they may bring to Three Roses and how these may dovetail with the needs of the charity.

Prior to the appointment they are invited to attend a directors meeting and observe procedures. The appointment is then made in accordance with the Articles of Association and, for future trustees, the Trust Deed.

## **Three Roses Homes Limited**

### **Trustees' Report**

#### ***Induction and training of trustees***

New directors / trustees are provided with copies of relevant Charity Commission publications, copies of recent directors / trustees' meeting minutes and the last set of annual accounts to assist them in becoming familiar with their responsibilities and the working of Three Roses Homes Limited.

#### ***Arrangements for setting key management personnel remuneration***

The Trustees / Directors themselves do not receive any remuneration or expenses in relation to their voluntary activities.

Trustees / Directors set the salaries for the management, which are reviewed annually; our policy is to ensure that management and staff are remunerated fairly in accordance with equivalent roles outside the charity, but also to ensure that pay is sufficiently attractive to retain quality staff, and in line with legislation. We strive to ensure that this is maintained within budget, while endeavouring not to limit the care hours that we can provide. The task of the management is to achieve the care requirements advised by the CQC using the fees provided by local authorities.

#### ***Organisational structure***

The directors meet with the management on a regular basis. This includes reports from the Registered Manager, Mrs Samantha Chidler, at quarterly meetings to enable them to review progress and consider any issues that may have arisen since the last meeting. The directors make all strategic decisions and major operational decisions at the quarterly meetings.

As briefly mentioned in the 22-23 report, management restructuring took place during the 2023-24 year because it was no longer tenable to continue with only one individual responsible for all financial management and control, together with the need to ensure compliance with the Charity Commission requirements on financial controls. Thus, the Commercial Manager position, which had been in existence at Three Roses since early 2018, was disestablished early in the 2023-24 financial year along with other changes to our financial management. The Registered Manager now has overall control of all aspects of the day-to-day management of Three Roses, with support from the Deputy Manager and Administrative Assistant. Payroll has been outsourced since May 2023 and the accounting system has been changed to a cloud-based one, enabling remote access, to which some of the directors are now included, for greater transparency.

#### ***Wider Network***

As an independent care home, Three Roses Homes Limited is not part of a wider network.

#### ***Relationships with related parties***

##### ***Care Quality Commission***

Three Roses Homes Limited works with the Care Quality Commission to ensure we provide a high standard of care for our residents.

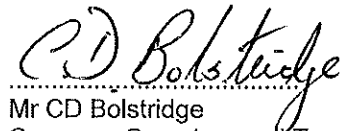
#### ***Disclosure of information to auditor***

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Three Roses Homes Limited

Trustees' Report

The annual report was approved by the trustees of the charity on 17/12/24... and signed on its behalf by:

  
.....  
Mr CD Bolstridge  
Company Secretary and Trustee

## Three Roses Homes Limited

### Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 17/12/24 and signed on its behalf by:

  
.....  
Mr CD Bolstridge  
Company Secretary and Trustee

## **Three Roses Homes Limited**

### **Independent Auditor's Report to the Members of Three Roses Homes Limited**

#### **Opinion**

We have audited the financial statements of Three Roses Homes Limited (the 'charity') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its results 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **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 auditor's report 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.

## **Three Roses Homes Limited**

### **Independent Auditor's Report to the Members of Three Roses Homes Limited**

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

#### **Opinion 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters 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 [set out on page 7], the trustees 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 charity 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.

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

## Three Roses Homes Limited

### Independent Auditor's Report to the Members of Three Roses Homes Limited

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

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



M A Skellum (Senior Statutory Auditor)  
For and on behalf of Ballards LLP, Statutory Auditor

Oakmoore Court  
Kingswood Road  
Hampton Lovett  
Droitwich  
Worcestershire  
WR9 0QH

Date: 17/12/24

# Three Roses Homes Limited

## Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

|                                               | Note | Unrestricted funds<br>£ | Restricted funds<br>£ | Total<br>2024<br>£ |
|-----------------------------------------------|------|-------------------------|-----------------------|--------------------|
| <b>Income and Endowments from:</b>            |      |                         |                       |                    |
| Donations and legacies                        | 2    | 3,460                   | -                     | 3,460              |
| Charitable activities                         | 3    | 1,018,484               | -                     | 1,018,484          |
| Other trading activities                      |      | 6,188                   | 7,785                 | 13,973             |
| Investment income                             | 4    | 2,261                   | -                     | 2,261              |
| Total Income                                  |      | <u>1,030,393</u>        | <u>7,785</u>          | <u>1,038,178</u>   |
| <b>Expenditure on:</b>                        |      |                         |                       |                    |
| Raising funds                                 |      | (906)                   | -                     | (906)              |
| Charitable activities                         | 5    | <u>(933,480)</u>        | <u>(2,527)</u>        | <u>(936,007)</u>   |
| Total Expenditure                             |      | <u>(934,386)</u>        | <u>(2,527)</u>        | <u>(936,913)</u>   |
| Net income                                    |      | 96,007                  | 5,258                 | 101,265            |
| <b>Other recognised gains and losses</b>      |      |                         |                       |                    |
| Gains/(losses) on revaluation of fixed assets |      | <u>702,612</u>          | <u>-</u>              | <u>702,612</u>     |
| Net movement in funds                         |      | 798,619                 | 5,258                 | 803,877            |
| <b>Reconciliation of funds</b>                |      |                         |                       |                    |
| Total funds brought forward                   |      | <u>760,879</u>          | <u>29,484</u>         | <u>790,363</u>     |
| Total funds carried forward                   | 17   | <u>1,559,498</u>        | <u>34,742</u>         | <u>1,594,240</u>   |
|                                               | Note | Unrestricted funds<br>£ | Restricted funds<br>£ | Total<br>2023<br>£ |
| <b>Income and Endowments from:</b>            |      |                         |                       |                    |
| Donations and legacies                        | 2    | 8,475                   | 29,484                | 37,959             |
| Charitable activities                         | 3    | 740,145                 | -                     | 740,145            |
| Other trading activities                      |      | 6,044                   | -                     | 6,044              |
| Investment income                             | 4    | <u>846</u>              | <u>-</u>              | <u>846</u>         |
| Total Income                                  |      | <u>755,510</u>          | <u>29,484</u>         | <u>784,994</u>     |
| <b>Expenditure on:</b>                        |      |                         |                       |                    |
| Raising funds                                 |      | (2,898)                 | -                     | (2,898)            |
| Charitable activities                         | 5    | <u>(789,378)</u>        | <u>-</u>              | <u>(789,378)</u>   |
| Total Expenditure                             |      | <u>(792,276)</u>        | <u>-</u>              | <u>(792,276)</u>   |
| Net (expenditure)/income                      |      | <u>(36,766)</u>         | <u>29,484</u>         | <u>(7,282)</u>     |
| Net movement in funds                         |      | (36,766)                | 29,484                | (7,282)            |
| <b>Reconciliation of funds</b>                |      |                         |                       |                    |
| Total funds brought forward                   |      | <u>797,645</u>          | <u>-</u>              | <u>797,645</u>     |
| Total funds carried forward                   | 17   | <u>760,879</u>          | <u>29,484</u>         | <u>790,363</u>     |

**Three Roses Homes Limited**

**Statement of Financial Activities for the Year Ended 31 March 2024  
(Including Income and Expenditure Account and Statement of Total Recognised Gains and  
Losses)**

All of the charity's activities derive from continuing operations during the above two periods.

**Three Roses Homes Limited**  
**(Registration number: 00966770)**  
**Balance Sheet as at 31 March 2024**

|                                                       | Note | 2024<br>£        | 2023<br>£       |
|-------------------------------------------------------|------|------------------|-----------------|
| <b>Fixed assets</b>                                   |      |                  |                 |
| Tangible assets                                       | 11   | 1,237,327        | 542,435         |
| <b>Current assets</b>                                 |      |                  |                 |
| Debtors                                               | 12   | 25,553           | 55,532          |
| Cash at bank and in hand                              |      | <u>378,107</u>   | <u>212,320</u>  |
|                                                       |      | 403,660          | 267,852         |
| <b>Creditors: Amounts falling due within one year</b> | 13   | <u>(46,744)</u>  | <u>(19,921)</u> |
| <b>Net current assets</b>                             |      | <u>356,916</u>   | <u>247,931</u>  |
| <b>Net assets</b>                                     |      | <u>1,594,243</u> | <u>790,366</u>  |
| <b>Funds of the charity:</b>                          |      |                  |                 |
| <b>Restricted funds</b>                               |      | <u>34,742</u>    | <u>29,484</u>   |
| <b>Unrestricted income funds</b>                      |      |                  |                 |
| Called up share capital                               | 16   | 3                | 3               |
| Unrestricted funds                                    |      | <u>1,559,498</u> | <u>760,879</u>  |
| Total unrestricted funds                              |      | <u>1,559,501</u> | <u>760,882</u>  |
| <b>Total funds</b>                                    | 17   | <u>1,594,243</u> | <u>790,366</u>  |

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The financial statements on pages 11 to 28 were approved by the trustees, and authorised for issue on 17/12/24 and signed on their behalf by:

  
 Mr CD Bolstridge  
 Company Secretary and Trustee

**Three Roses Homes Limited**

**Statement of Cash Flows for the Year Ended 31 March 2024**

|                                                      | Note | 2024<br>£             | 2023<br>£             |
|------------------------------------------------------|------|-----------------------|-----------------------|
| <b>Cash flows from operating activities</b>          |      |                       |                       |
| Net cash income/(expenditure)                        |      | 803,877               | (7,282)               |
| <b>Adjustments to cash flows from non-cash items</b> |      |                       |                       |
| Depreciation                                         |      | 12,028                | 11,067                |
| Investment income                                    | 4    | (2,261)               | (846)                 |
| Loss on disposal of tangible fixed assets            |      | -                     | 1,053                 |
| Gains on revaluation of fixed assets                 |      | <u>(702,612)</u>      | <u>-</u>              |
|                                                      |      | 111,032               | 3,992                 |
| <b>Working capital adjustments</b>                   |      |                       |                       |
| Decrease/(increase) in debtors                       | 12   | 29,979                | (21,481)              |
| Increase/(decrease) in creditors                     | 13   | <u>26,823</u>         | <u>(23,053)</u>       |
| Net cash flows from operating activities             |      | <u>167,834</u>        | <u>(40,542)</u>       |
| <b>Cash flows from investing activities</b>          |      |                       |                       |
| Interest receivable and similar income               | 4    | 2,261                 | 846                   |
| Purchase of tangible fixed assets                    | 11   | (4,308)               | (20,442)              |
| Sale of tangible fixed assets                        |      | <u>-</u>              | <u>(1)</u>            |
| Net cash flows from investing activities             |      | <u>(2,047)</u>        | <u>(19,597)</u>       |
| Net increase/(decrease) in cash and cash equivalents |      | 165,787               | (60,139)              |
| Cash and cash equivalents at 1 April                 |      | <u>212,320</u>        | <u>272,459</u>        |
| Cash and cash equivalents at 31 March                |      | <u><u>378,107</u></u> | <u><u>212,320</u></u> |

All of the cash flows are derived from continuing operations during the above two periods.

## Three Roses Homes Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 1 Accounting policies

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

Three Roses Homes Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Income and endowments**

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

Income from provision of services is accounted for on an accruals basis. Other income is accounted for on a receivable basis.

##### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

##### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

## Three Roses Homes Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Land and buildings**

Land and buildings are recognised at cost or, if donated, at fair value at the date of donation.

Land is not depreciated as it has an indefinite useful life.

Buildings are measured under the revaluation model, i.e. at fair value, based on periodic valuations.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| <b>Asset class</b>   | <b>Depreciation method and rate</b> |
|----------------------|-------------------------------------|
| Plant and machinery  | 20% on cost                         |
| Fixture and fittings | 20% on reducing balance             |
| Motor vehicles       | 20% on reducing balance             |
| Computer equipment   | 33% on cost                         |

## **Three Roses Homes Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2024**

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

#### **Pensions and other post retirement obligations**

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

# Three Roses Homes Limited

## Notes to the Financial Statements for the Year Ended 31 March 2024

### 2 Income from donations and legacies

|                            | Unrestricted funds |              |               |
|----------------------------|--------------------|--------------|---------------|
|                            | General            | Total        | Total         |
|                            | £                  | 2024         | 2023          |
|                            |                    | £            | £             |
| Donations and legacies;    |                    |              |               |
| Donations from individuals | 3,460              | 3,460        | 37,959        |
|                            | <u>3,460</u>       | <u>3,460</u> | <u>37,959</u> |

### 3 Income from charitable activities

|           | Unrestricted funds |                  |                |
|-----------|--------------------|------------------|----------------|
|           | General            | Total            | Total          |
|           | £                  | 2024             | 2023           |
|           |                    | £                | £              |
| Care Home | 1,018,484          | 1,018,484        | 740,145        |
|           | <u>1,018,484</u>   | <u>1,018,484</u> | <u>740,145</u> |

### 4 Investment income

|                                         | Unrestricted funds |              |            |
|-----------------------------------------|--------------------|--------------|------------|
|                                         | General            | Total        | Total      |
|                                         | £                  | 2024         | 2023       |
|                                         |                    | £            | £          |
| Interest receivable and similar income; |                    |              |            |
| Interest receivable on bank deposits    | 2,261              | 2,261        | 846        |
|                                         | <u>2,261</u>       | <u>2,261</u> | <u>846</u> |

### 5 Expenditure on charitable activities

|                         |      | Unrestricted funds | Restricted funds | Total         | Total         |
|-------------------------|------|--------------------|------------------|---------------|---------------|
|                         | Note | General            |                  | 2024          | 2023          |
|                         |      | £                  | £                | £             | £             |
| Allocated support costs | 6    | 46,920             | -                | 46,920        | 16,487        |
| Governance costs        | 6    | 573                | 220              | 793           | -             |
|                         |      | <u>47,493</u>      | <u>220</u>       | <u>47,713</u> | <u>16,487</u> |

## Three Roses Homes Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 6 Analysis of governance and support costs

##### Governance costs

|                        | Unrestricted<br>funds |                          |                    |
|------------------------|-----------------------|--------------------------|--------------------|
|                        | General<br>£          | Restricted<br>funds<br>£ | Total<br>2024<br>£ |
| Other governance costs | 573                   | 220                      | 793                |
|                        | <u>573</u>            | <u>220</u>               | <u>793</u>         |

#### 7 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

|                                           | 2024<br>£     | 2023<br>£     |
|-------------------------------------------|---------------|---------------|
| Operating leases - plant and machinery    | 9,452         | 6,777         |
| Audit fees                                | 6,000         | -             |
| Loss on disposal of tangible fixed assets | -             | 1,053         |
| Depreciation of fixed assets              | <u>10,858</u> | <u>11,066</u> |

#### 8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 9 Staff costs

The aggregate payroll costs were as follows:

|                                          | 2024<br>£      | 2023<br>£      |
|------------------------------------------|----------------|----------------|
| <b>Staff costs during the year were:</b> |                |                |
| Wages and salaries                       | 657,029        | 539,188        |
| Social security costs                    | 37,555         | 27,539         |
| Pension costs                            | <u>9,477</u>   | <u>8,308</u>   |
|                                          | <u>704,061</u> | <u>575,035</u> |

The monthly average number of full-time equivalents (including senior management team) employed by the charity was 20 in 2024 (20 in 2023)

The total average number of persons employed (including zero hours contracts) was as follows:

# Three Roses Homes Limited

## Notes to the Financial Statements for the Year Ended 31 March 2024

|                  | 2024<br>No | 2023<br>No |
|------------------|------------|------------|
| Administration   | 3          | 3          |
| Residential Care | 32         | 30         |
|                  | <u>35</u>  | <u>33</u>  |

No employee received emoluments of more than £60,000 during the year.

### 10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

### 11 Tangible fixed assets

|                       | Land and<br>buildings<br>£ | Furniture<br>and<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£       |
|-----------------------|----------------------------|------------------------------------|------------------------|------------------|
| <b>Cost</b>           |                            |                                    |                        |                  |
| At 1 April 2023       | 557,750                    | 72,430                             | 31,732                 | 661,912          |
| Revaluations          | 702,612                    | -                                  | -                      | 702,612          |
| Additions             | -                          | 4,308                              | -                      | 4,308            |
| At 31 March 2024      | <u>1,260,362</u>           | <u>76,738</u>                      | <u>31,732</u>          | <u>1,368,832</u> |
| <b>Depreciation</b>   |                            |                                    |                        |                  |
| At 1 April 2023       | 60,362                     | 34,383                             | 24,732                 | 119,477          |
| Charge for the year   | -                          | 10,628                             | 1,400                  | 12,028           |
| At 31 March 2024      | <u>60,362</u>              | <u>45,011</u>                      | <u>26,132</u>          | <u>131,505</u>   |
| <b>Net book value</b> |                            |                                    |                        |                  |
| At 31 March 2024      | <u>1,200,000</u>           | <u>31,727</u>                      | <u>5,600</u>           | <u>1,237,327</u> |
| At 31 March 2023      | <u>497,388</u>             | <u>38,047</u>                      | <u>7,000</u>           | <u>542,435</u>   |

Included within the net book value of land and buildings above is £1,200,000 (2023 - £497,388) in respect of freehold land and buildings and £Nil (2023 - £Nil) in respect of leaseholds.

## Three Roses Homes Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### Revaluation

The fair value of the company's Land and buildings was revalued on 31 March 2024 by Stuart Doolittle MRICS of Precise Commercial Surveyors, an independent valuer.

The actual valuation date was 5 April 2024 but there would be no significant change between this date and the year end.

Had this class of asset been measured on a historical cost basis, their carrying amount would have been £497,388 (2023 - £497,388).

#### 12 Debtors

|               | 2024          | 2023          |
|---------------|---------------|---------------|
|               | £             | £             |
| Trade debtors | 10,076        | 43,130        |
| Prepayments   | 15,477        | 12,402        |
|               | <u>25,553</u> | <u>55,532</u> |

#### 13 Creditors: amounts falling due within one year

|                                    | 2024          | 2023          |
|------------------------------------|---------------|---------------|
|                                    | £             | £             |
| Trade creditors                    | 23,375        | 7,254         |
| Other taxation and social security | 9,117         | 7,778         |
| Other creditors                    | 2,022         | -             |
| Accruals                           | 12,230        | 4,889         |
|                                    | <u>46,744</u> | <u>19,921</u> |

## Three Roses Homes Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 14 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

|                            | 2024<br>£     | 2023<br>£     |
|----------------------------|---------------|---------------|
| <b>Other</b>               |               |               |
| Within one year            | 3,300         | 4,230         |
| Between one and five years | 10,740        | 8,820         |
| After five years           | -             | 900           |
|                            | <u>14,040</u> | <u>13,950</u> |

#### 15 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £9,477 (2023 - £8,308).

#### 16 Share capital

##### Allotted, called up and fully paid shares

|                     | 2024     |          | 2023     |          |
|---------------------|----------|----------|----------|----------|
|                     | No.      | £        | No.      | £        |
| Ordinary of £1 each | <u>3</u> | <u>3</u> | <u>3</u> | <u>3</u> |

The articles of the company prohibit the payment of dividends. Should the company be wound-up, any remaining net assets must be given to a charitable or other institution with similar objects.

# Three Roses Homes Limited

## Notes to the Financial Statements for the Year Ended 31 March 2024

### 17 Funds

|                                 | Balance<br>at 1<br>April<br>2023<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Transfers<br>£ | Other<br>recognised<br>gains/(losses)<br>£ | Balance<br>at 31<br>March<br>2024<br>£ |
|---------------------------------|---------------------------------------|----------------------------|----------------------------|----------------|--------------------------------------------|----------------------------------------|
| <b>Unrestricted funds</b>       |                                       |                            |                            |                |                                            |                                        |
| <i>General</i>                  |                                       |                            |                            |                |                                            |                                        |
| General                         | 760,880                               | 1,030,393                  | (934,387)                  | (4,166)        | 702,612                                    | 1,555,332                              |
| <i>Designated</i>               |                                       |                            |                            |                |                                            |                                        |
| Designated                      | -                                     | -                          | -                          | 4,166          | -                                          | 4,166                                  |
| <b>Total Unrestricted funds</b> | 760,880                               | 1,030,393                  | (934,387)                  | -              | 702,612                                    | 1,559,498                              |
| <b>Restricted funds</b>         |                                       |                            |                            |                |                                            |                                        |
| Restricted                      | 29,484                                | 7,785                      | (2,527)                    | -              | -                                          | 34,742                                 |
| <b>Total funds</b>              | <u>790,364</u>                        | <u>1,038,178</u>           | <u>(936,914)</u>           | <u>-</u>       | <u>702,612</u>                             | <u>1,594,240</u>                       |

Restricted funds are made up of various small funds donated for specific purposes.

Designated funds are funds set aside by the charity to be used for residents holidays.

# Three Roses Homes Limited

## Notes to the Financial Statements for the Year Ended 31 March 2024

|                                 | Balance at 1<br>April 2022<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Balance at<br>31 March<br>2023<br>£ |
|---------------------------------|---------------------------------|----------------------------|----------------------------|-------------------------------------|
| <b>Unrestricted funds</b>       |                                 |                            |                            |                                     |
| <i>General</i>                  |                                 |                            |                            |                                     |
| General                         | 795,566                         | 755,510                    | (790,197)                  | 760,879                             |
| <i>Designated</i>               |                                 |                            |                            |                                     |
| Designated                      | <u>2,079</u>                    | <u>-</u>                   | <u>(2,079)</u>             | <u>-</u>                            |
| <b>Total unrestricted funds</b> | <b>797,645</b>                  | <b>755,510</b>             | <b>(792,276)</b>           | <b>760,879</b>                      |
| <b>Restricted funds</b>         |                                 |                            |                            |                                     |
| Restricted                      | <u>-</u>                        | <u>29,484</u>              | <u>-</u>                   | <u>29,484</u>                       |
| <b>Total funds</b>              | <b><u>797,645</u></b>           | <b><u>784,994</u></b>      | <b><u>(792,276)</u></b>    | <b><u>790,363</u></b>               |

Restricted funds are made up of a donation of £9,465 received from the estate of Jennifer Cornwell which are to be used for a project for the benefit of residents, the nature of which is yet to be decided and £20,019, which was received to be spent on garden related items in the memory of Jonnie Caldwell.

### 18 Analysis of net assets between funds

|                         | Unrestricted funds      |                     | Restricted funds     | Total funds             |
|-------------------------|-------------------------|---------------------|----------------------|-------------------------|
|                         | General<br>£            | Designated<br>£     | £                    | £                       |
| Tangible fixed assets   | 1,237,327               | -                   | -                    | 1,237,327               |
| Current assets          | 364,752                 | 4,166               | 34,742               | 403,660                 |
| Current liabilities     | <u>(46,744)</u>         | <u>-</u>            | <u>-</u>             | <u>(46,744)</u>         |
| <b>Total net assets</b> | <b><u>1,555,335</u></b> | <b><u>4,166</u></b> | <b><u>34,742</u></b> | <b><u>1,594,243</u></b> |

### 19 Analysis of net funds

|                          | At 1 April 2023<br>£ | Cash flow<br>£ | At 31 March<br>2024<br>£ |
|--------------------------|----------------------|----------------|--------------------------|
| Cash at bank and in hand | 212,320              | 165,787        | 378,107                  |
| Net debt                 | <u>212,320</u>       | <u>165,787</u> | <u>378,107</u>           |

## **Three Roses Homes Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2024**

#### **20 Related party transactions**

During the year the charity made the following related party transactions:

J C Plant, was a trustee and is currently a shareholder. His daughter, Mrs J Seidel, was employed by the charity for part of the year and her gross payroll costs to 31 March 2024 were £26,582 (2023 - £32,261).

