

Penrice House (St. Austell) Limited

(A company limited by guarantee)

Trustee Directors' Report and Audited Financial Statements

for the Year Ended 31 March 2024

Penrice House (St. Austell) Limited

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Penrice House (St. Austell) Limited

Legal and Administrative Information

Registered charity name	Penrice House (St. Austell) Limited
Charity registration number	280039
Company registration number	01475148
Principal office and registered office	Penrice House Porthpean St Austell Cornwall PL26 6AZ
Trustee Directors	Mrs L B Sampson Mr G Clarke Mrs N M Hughes Dr A Hereward Ms F Tregaskes Miss J R Burden Mrs A Allan Dr P B Foster Mr D S Boardman Mr P G Snell Dr R Bown
Chairman	Mrs L B Sampson
Company secretary	Mr I H G Dawes
Independent Auditors	Moore Scarrott Audit Limited Calyx House South Road Taunton Somerset TA1 3DU
Investment Advisors	Investec Bank Plc 2 Gresham Street London EC2V 7QP
Bankers	National Westminster Bank Plc 1 Church Street St Austell Cornwall PL25 4AW

Penrice House (St. Austell) Limited

Trustee Directors' Annual Report for the Year Ended 31 March 2024

The Trustees, who are also the directors for the purposes of company law, present their report and the audited financial statements of the charity for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and the requirements 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 (FRS102).

Objectives of the charity

The charity's aim is to provide elderly people with a home for the rest of their lives in pleasant surroundings and with modern amenities and in particular if it proves possible to provide for them when they are sick and ailing.

In setting objectives and planning the activities of the Home, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and supplementary guidance on fee charging.

Whilst Penrice House welcomes both private and publicly funded residents, it benefits from the Fred Lovering Assistance Fund which may be used to support local residents who are in financial need.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. The Board is clear about the aspirations of Penrice House and ensures that these are being delivered effectively and sustainably.

Penrice House is led by an effective board that provides strategic leadership in line with the home's aims and values.

The Board acts with integrity, adopting values and creating a culture which help achieve our purpose and responsibilities. The Board is aware of the importance of the public's confidence and trust in the charity and trustees undertake their duties accordingly. Decision making processes are informed, rigorous, and timely. Effective delegation, control, risk assessment and management systems are established and monitored. The Board works as an effective team, using the appropriate balance of skills, experience and knowledge to make informed decisions. The Board's approach to equality and diversity supports its effectiveness, leadership and decision making. The Board leads the organisation in being transparent and accountable.

Principal activities of the year

The charity is principally engaged in the operation as a home for the elderly at Penrice House, Porthpean, St Austell which is registered for 29 residents under the Registered Homes Act 1984. Penrice House is regulated by CQC who last inspected the home in January 2023 and gave it an overall rating of Good.

The business of the charity is managed by the Board of Trustees who meet at least four times each calendar year. There are four formal committees of the Penrice House Board and it is expected that each committee (except the nomination committee) meets at least once a quarter. All trustees are asked to participate in at least one committee and have an open invitation to attend any committee.

1. Finance, Resources and Business Management
2. Care Home Management - Performance, Quality and Experience Committee
3. Business Development and Projects Committee
4. Nominations Committee

The day-to-day management of the Home is undertaken jointly by the Business Manager and Care Manager. There has been no significant change in the activities of the charity during the year other than the ongoing maintenance and refurbishment of the House which is extensive.

All of our charitable activities focus on the provision of care to the elderly and are undertaken to further our charitable purposes for the public benefit.

Penrice House (St. Austell) Limited

Trustee Directors' Annual Report for the Year Ended 31 March 2024

Achievements and performance

The Trustees are committed to ensuring that residents at Penrice House receive high quality care in a comfortable environment. During the year staff training and development has continued to ensure that residents are well supported by trained and professional staff. A programme of redecoration and refurbishment of the house has continued this year.

Residents are encouraged to become involved in local community events and the charity has arranged regular trips for all its residents including visits to local garden centres and cafes. Members of the local community are invited to attend events at the Home, for example the autumn fayre, Christmas Carol evening led by Mevagissey Male Voice Choir, summer barbeque. The Home employs an activities lead who arranges a wide variety of activities for residents including craft, music, cooking activities and trips around the grounds in the Home's golf buggy.

Relatives and friends of residents are encouraged to both support and visit the home as often as they wish.

Residents' meetings take place monthly with feedback included in the monthly newsletter in addition to the minutes of these meetings. In addition, the Trustees meet with staff and residents and their families regularly. Requests and suggestions from residents, staff and others are carefully considered by the Trustees and supported whenever reasonably possible.

During the year, Penrice House has invested in solar panels in order to help reduce the impact of increasing energy prices.

Financial Review

The charity's income for the year was £1,193,241 (2023 - £1,091,700) and its expenditure was £1,667,195 (2023 - £1,265,706). The net movement in funds for the year was a decrease of £473,954 (2023 - a decrease of £174,006). The charity has free reserves at the end of the year of £1,362,947 (2023 - £2,304,368).

Reserves Policy

In order that the charity can meet its objective of managing and operating a home for elderly people the Trustees have considered its resources and commitments. The charity is responsible for the maintenance of Penrice House and its surroundings. As this is a Grade II* listed historic building, the Trustees consider that significant reserves need to be accumulated in the event of any major maintenance being required. Furthermore, with regard to funding the annual charitable expenditure, the charity is reliant on obtaining full occupancy of its residential accommodation and must therefore establish reserves in the event that this is not achieved in any year.

Penrice House aims to maintain reserves at a level that is sufficient to cover:

- 6 - 12 months of operating costs to ensure continuity of care services.
- Contingency for unplanned repairs, maintenance, and capital expenditures.
- Strategic development initiatives that may require initial funding.

General unrestricted funds as at 31 March 2024, was £1,362,947.

Penrice House (St. Austell) Limited

Trustee Directors' Annual Report for the Year Ended 31 March 2024

Investment policy and objectives

The Trustees review their policy for investing funds regularly. Investment returns on term deposits had historically provided above inflation returns, with the changing economic climate, however, the Trustees felt that this was unlikely to remain the case and sought ways of mitigating against declining investment income. Accordingly, following extensive research and careful consideration Investec investment managers, were appointed for limited funds adopting a cautious investment policy. These investments have provided a healthy return and accordingly the Board has now placed further deposits with Investec. At 31 March 2024 a total of £2,540,927 was invested with Investec (2023 - £2,507,150).

Given the possible development of the stable buildings and the Trustees' commitment to continue to invest in improvements to the house, the Board is comfortable with the current level of investments.

Plans for future periods

The Trustees will continue to focus on providing the highest levels of care for residents at Penrice House. This includes investing in staff development but also in maintaining and improving the house and its facilities.

Structure, governance and management

Penrice House (St.Austell) Limited is incorporated as a company limited by guarantee and not having share capital. In accordance with the company's Memorandum and Articles of Association, adopted by Special Resolution on 24 July 2001, each member is liable to contribute no more than £10 in the event of the company being wound up or dissolved. The main property (Penrice House) remaining after the settlement of all liabilities will be given or transferred to the National Trust for places of Historic Interest or Natural Beauty and if that cannot be done to some other charitable object chosen by the members of the charity.

There were 11 members at 31 March 2024 (2023 - 10)

Structure, governance and management (continued)

Trustee Directors

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

Mrs L B Sampson (Chair) (2,3,4)
 Mr G Clarke (1,3,4)
 Mrs N M Hughes (1,4)
 Dr A Hereward (3,4)
 Ms F Tregaskes (2,4)
 Miss J Burden (3,4)
 Mrs A Allan (Appointed 10 July 2023) (2,3,4)
 Dr P B Foster (2,4)
 Mr D S Boardman (1,4)
 Mr P G Snell (4)
 Dr R Bown (1,3,4)

- (1) Finance Committee
- (2) Care Home Management Committee
- (3) Business Development & Projects Committee
- (4) Nominations Committee

Penrice House (St. Austell) Limited

Trustee Directors' Annual Report for the Year Ended 31 March 2024

Recruitment and induction of Trustees

The business of the charity is managed by the Trustees. The Trustees may at any time appoint as a Trustee any eligible individual either to fill a casual vacancy or as an additional Trustee. Such appointment is effective only until the next Annual General Meeting but the appointee will then be eligible for election. At each Annual General Meeting the number nearest to one-third of the Trustees retires from office and is eligible for re-election. The Trustees to retire are those who have been longest in office since their last election.

Newly appointed Trustees are provided with copies of the charity financial statements, brochure and Memorandum and Articles of Association. Guidance on the charity's ethos and activities is provided by the Chair and Company Secretary.

The Trustees retiring by rotation in accordance with Articles 29 and 30 of the Company's Memorandum and Articles of Association at the 2024 Annual General Meeting of members will be R Bown, P G Snell, L B Sampson and P B Foster. These Trustees, being eligible, offer themselves for re-election.

Risk management

The Trustees have considered the major strategic, business and operational risks to which the charity is exposed and systems have been established to mitigate those risks. Each committee is responsible for monitoring risk strategies for their specific area and risk plans are regularly reviewed.

Pay policy for senior staff

The Trustees set the remuneration for senior staff and review this annually at the same time as the annual cost of living pay award for staff. The review takes into account the need to retain and motivate key staff and recognise individual and overall performance as well as the wider staff pay award and affordability. Salaries are benchmarked against local competitors and factors other than pay, such as development opportunities, are taken into consideration.

Pay awards agreed for senior staff and the wider staff take effect from 1 April each year.

Reappointment of auditors

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

Disclosure of information to the auditors

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 auditors are aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

This report has been prepared in accordance with the special provisions in part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 22-07-24 and signed on its behalf by:

Bridget Sampson

.....
Mrs L B Sampson
Chairman

Penrice House (St. Austell) Limited

Trustee Directors' Annual Report for the Year Ended 31 March 2024

Statement of Trustee Directors' Responsibilities

The Trustees (who are also directors of Penrice House (St.Austell) Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Penrice House (St. Austell) Limited

Independent Auditor's Report to the Trustees of Penrice House (St. Austell) Limited

Opinion

We have audited the financial statements of Penrice House (St. Austell) Limited (the 'charity') for the year ended 31 March 2024, which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and related notes, 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, including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's members 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 incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

Penrice House (St. Austell) Limited

Independent Auditor's Report to the Trustees of Penrice House (St. Austell) Limited

Opinion on other matter 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 Trustee Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustee Directors' Annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee Directors' Annual 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustee Directors' Annual Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities [set out on page 6], 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 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Penrice House (St. Austell) Limited

Independent Auditor's Report to the Trustees of Penrice House (St. Austell) Limited

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with this act.

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

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

- We have considered the nature of the sector, control environment, and financial performance of the charity;
- We have considered the results of enquiries with Management and Trustees in relation to their own identification and assessment of the risk of irregularities within the entity; and
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation.

As a result of these procedures, we have considered the opportunities and incentives that exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut-off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies and Charities Act and FRS 102 (SORP). In additions, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or avoid a material penalty.

Our procedures to respond to risks identified included the following:-

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations;
- reviewing minutes of meetings of those charged with governance;
- performing detailed testing in relation to the recognition of revenue, with a particular focus around year-end cut-off; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluation of the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud and non-compliance with laws and regulations throughout the audit.

Penrice House (St. Austell) Limited

Independent Auditor's Report to the Trustees of Penrice House (St. Austell) Limited

Auditor Responsibilities for the audit of the financial statements (continued)

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in the financial statements or non-compliance with regulation, will be detected by us. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

Use of our report

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

Duncan Nicholas

.....
D J Nicholas FCA (Senior Statutory Auditor)

For and on behalf of Moore Scarrott Audit Limited, Statutory Auditor

Calyx House
South Road
Taunton
Somerset
TA1 3DU

23-07-24
Date:.....

Penrice House (St. Austell) Limited**Statement of Financial Activities including
Income and Expenditure Account for the Year Ended 31 March 2024**

	Note	Unrestricted funds £	Restricted funds £	2024 £	2023 £
Incoming resources					
Grants, donations and legacies	4	-	7,043	7,043	18,920
Charitable activities	5	931,036	-	931,036	1,047,306
Investment income	6	177,107	20,934	198,041	18,582
Other income	7	57,121	-	57,121	6,892
Total incoming resources		<u>1,165,264</u>	<u>27,977</u>	<u>1,193,241</u>	<u>1,091,700</u>
Expenditure					
Costs of raising donations and legacies	8	-	-	-	10,484
Expenditure on charitable activities	9	<u>1,645,463</u>	<u>21,732</u>	<u>1,667,195</u>	<u>1,255,222</u>
Total expenditure		<u>1,645,463</u>	<u>21,732</u>	<u>1,667,195</u>	<u>1,265,706</u>
Net incoming /(outgoing) resources		<u>(480,199)</u>	<u>6,245</u>	<u>(473,954)</u>	<u>(174,006)</u>
Funds movement					
Total funds brought forward		3,884,464	321,065	4,205,529	4,379,534
Net incoming /(outgoing) resources		(480,199)	6,245	(473,954)	(174,006)
Revaluation movement		<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>-</u>
Total funds carried forward		<u>3,419,265</u>	<u>327,310</u>	<u>3,746,575</u>	<u>4,205,528</u>

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Penrice House (St. Austell) Limited**(Registration number: 01475148)****Balance Sheet as at 31 March 2024**

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	335,697	220,279
Investment property	15	715,000	825,000
Other financial assets	16	2,718,083	3,112,165
		<u>3,768,780</u>	<u>4,157,444</u>
Current assets			
Debtors and prepayments	17	2,612	22,898
Cash at bank and in hand		64,633	47,153
		67,245	70,051
Creditors: Amounts falling due within one year	18	(89,450)	(21,967)
Net current (liabilities)/assets		<u>(22,205)</u>	<u>48,084</u>
Net assets		<u>3,746,575</u>	<u>4,205,528</u>
Income funds			
Restricted funds	23	327,310	321,065
Unrestricted funds	23	3,419,265	3,884,463
Total equity		<u>3,746,575</u>	<u>4,205,528</u>

The financial statements were approved and authorised for issue by the Trustees on 22-07-24 and signed on their behalf by:

Bridget Sampson
.....

Mrs L B Sampson
Trustee

Penrice House (St. Austell) Limited**Statement of Cash Flows for the Year Ended 31 March 2024**

		2024	2023
	Note	£	£
Net cash generated/(absorbed) in operating activities	21	(369,477)	(157,769)
Cash flows from investing activities			
Interest received	6	12,777	589
Acquisitions of tangible assets	14	(171,628)	(31,058)
Proceeds from sale of tangible assets	7	130,368	-
Acquisitions of investments		(153,777)	-
Proceeds from disposal of investments	16	547,859	-
Net cash flows from investing activities		<u>365,599</u>	<u>(30,469)</u>
Net decrease in cash and cash equivalents		(3,878)	(188,238)
Cash and cash equivalents at 1 April		<u>47,153</u>	<u>235,391</u>
Cash and cash equivalents at 31 March		<u><u>43,275</u></u>	<u><u>47,153</u></u>

Penrice House (St. Austell) Limited

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

1 General information

The company is a charitable company limited by guarantee incorporated in England and Wales.

The address of its registered office is:

Penrice House
Porthpean
St Austell
Cornwall
PL26 6AZ

2 Statement of compliance

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Charities Act 2011.

Penrice House (St. Austell) Limited meets the definition of a Public Benefit Entity under FRS102.

3 Accounting policies

Incoming resources

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

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

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

Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of that obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Going concern

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

Penrice House (St. Austell) Limited

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

Fund accounting policy

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Judgments in applying accounting policies and key sources of estimation uncertainty

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

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

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

The Trustees have set a capitalisation policy where only assets over £500 are capitalised.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold property	2% straight line
Plant and machinery	10% - 25% straight line
Fixtures and fittings	20% straight line
Motor vehicles	20% straight line
Office equipment	10% - 33% straight line

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Penrice House (St. Austell) Limited

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

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

Trade debtors

Trade debtors are recognised initially at the transaction price. They are subsequently measured at transaction price 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.

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 at the transaction price.

Penrice House (St. Austell) Limited**Notes to the Financial Statements for the Year Ended 31 March 2024****4 Grants, Donations and Legacies****Current Year**

	Unrestricted funds £	Restricted funds £	Total Funds 2024 £
Donations	-	7,043	-
	-	7,043	-

Prior Year

	Unrestricted funds £	Restricted funds £	Total Funds 2023 £
Donations	771	-	771
Grants	18,149	-	18,149
	18,920	-	18,920

5 Income from charitable activities**Current Year**

	Unrestricted funds £	Restricted funds £	Total Funds 2024 £
Resident's fees	931,036	-	931,036
	931,036	-	931,036

Prior Year

	Unrestricted funds £	Restricted funds £	Total Funds 2023 £
Resident's fees	1,047,306	-	1,047,306
	1,047,306	-	1,047,306

Penrice House (St. Austell) Limited**Notes to the Financial Statements for the Year Ended 31 March 2024****6 Income from investments****Current Year**

	Unrestricted funds £	Restricted funds £	Total Funds 2024 £
Revaluation of investments	124,652	20,934	145,586
Dividends from investments	22,473	-	22,473
Rent receivable	17,205	-	17,205
Interest receivable	12,777	-	12,777
	<u>177,107</u>	<u>20,934</u>	<u>198,041</u>

Prior Year

	Unrestricted funds £	Restricted funds £	Total Funds 2023 £
Rent receivable	17,993	-	17,993
Interest receivable	589	-	589
	<u>18,582</u>	<u>-</u>	<u>18,582</u>

7 Income from other sources**Current Year**

	Unrestricted funds £	Restricted funds £	Total Funds 2024 £
Net gain on disposal of tangible fixed assets	7,601	-	7,601
Other revenue	2,669	-	2,669
Renewable heating incentive	46,851	-	46,851
	<u>57,121</u>	<u>-</u>	<u>57,121</u>

Prior Year

	Unrestricted funds £	Restricted funds £	Total Funds 2023 £
Net gain on disposal of tangible fixed assets	1,440	-	1,440
Other revenue	3,249	-	3,249
Renewable heating incentive	2,203	-	2,203
	<u>6,892</u>	<u>-</u>	<u>6,892</u>

Penrice House (St. Austell) Limited**Notes to the Financial Statements for the Year Ended 31 March 2024****8 Costs of raising donations and legacies****Current Year**

	Unrestricted funds £	Restricted funds £	Total Funds 2024 £
Rental property repairs, refurbishment and expenses	-	-	-
	-	-	-

Prior Year

	Unrestricted funds £	Restricted funds £	Total Funds 2023 £
Rental property repairs, refurbishment and expenses	10,484	-	10,484
	10,484	-	10,484

9 Expenditure on charitable activities**Current Year**

	Unrestricted funds £	Restricted funds £	Total Funds 2024 £
Direct costs (note 10)	1,580,978	5,139	1,580,978
Share of support costs (note 11)	58,465	16,593	75,058
Share of governance costs (note 11)	6,020	-	6,020
	1,645,463	21,732	1,662,056

Prior Year

	Unrestricted funds £	Restricted funds £	Total Funds 2023 £
Direct costs (note 10)	1,202,222	-	1,202,222
Share of support costs (note 11)	44,900	-	44,900
Share of governance costs (note 11)	8,100	-	8,100
	1,255,222	-	1,255,222

Penrice House (St. Austell) Limited**Notes to the Financial Statements for the Year Ended 31 March 2024****10 Analysis of direct costs****Current Year**

	Unrestricted funds £	Restricted funds £	Total Funds 2024 £
Staff costs	800,663	-	800,663
Depreciation and impairment	58,445	-	58,445
Food	60,048	-	60,048
Staff clothing and training	4,114	-	4,114
Household sundries	31,551	5,139	31,551
Light, heat and power	111,449	-	111,449
Repairs and renewals	475,671	-	475,671
Insurance	22,015	-	22,015
Motor expenses	5,357	-	5,357
Water rates and council tax	5,647	-	5,647
Trade subscriptions	6,018	-	6,018
	<u>1,580,978</u>	<u>5,139</u>	<u>1,580,978</u>

Prior Year

	Unrestricted funds £	Restricted funds £	Total Funds 2023 £
Staff costs	752,711	-	752,711
Depreciation and impairment	45,203	-	45,203
Food	59,843	-	59,843
Staff clothing and training	6,006	-	6,006
Household sundries	22,233	-	22,233
Light, heat and power	52,853	-	52,853
Repairs and renewals	219,295	-	219,295
Insurance	21,117	-	21,117
Motor expenses	8,637	-	8,637
Water rates and council tax	9,999	-	9,999
Trade subscriptions	4,325	-	4,325
	<u>1,202,222</u>	<u>-</u>	<u>1,202,222</u>

Penrice House (St. Austell) Limited**Notes to the Financial Statements for the Year Ended 31 March 2024****11 Analysis of support costs****Current Year**

	Support costs	Governance costs	2024
	£	£	£
Advertising	936	-	936
Telephone	12,791	-	12,791
Printing, postage and stationery	2,142	-	2,142
Bookkeeping and accountancy	11,329	-	11,329
Legal and professional fees	14,285	-	14,285
Bank charges	842	-	842
Audit fees	-	6,020	6,020
Investment management fees	16,140	-	16,140
Bad debts written off	16,593	-	16,593
	<u>75,058</u>	<u>6,020</u>	<u>81,078</u>

Prior Year

	Support costs	Governance costs	2023
	£	£	£
Advertising	1,164	-	1,164
Telephone	11,904	-	11,904
Printing, postage and stationery	1,856	-	1,856
Bookkeeping and accountancy	2,697	-	2,697
Legal and professional fees	26,600	-	26,600
Bank charges	679	-	679
Audit fees	-	8,100	8,100
	<u>44,900</u>	<u>8,100</u>	<u>53,000</u>

12 Trustee Directors

None of the trustee directors' (or any persons connected with them) received any remuneration during the period ended 31 March 2024. No other transactions with related parties were undertaken such are required to be disclosed under the Companies Act 2006.

13 Employees

The average number of persons employed by the company (Including directors) during the year, was 32 (2023 - 29).

No employee received employee benefits of more than £60,000 during the year (2023 - nil)

Penrice House (St. Austell) Limited**Notes to the Financial Statements for the Year Ended 31 March 2024****14 Tangible assets**

	Property improvements £	Fixtures and fittings £	Office equipment £	Motor vehicles £	Plant & Equipment £	Total £
Cost or valuation						
At 1 April 2023	129,640	11,750	28,774	31,495	429,611	631,270
Additions	-	38,363	21,337	39	111,889	171,628
Disposals	-	-	-	-	(66,805)	(66,805)
At 31 March 2024	<u>129,640</u>	<u>50,113</u>	<u>50,111</u>	<u>31,534</u>	<u>474,695</u>	<u>736,093</u>
Depreciation						
At 1 April 2023	25,930	8,722	9,987	29,661	336,690	410,990
Charge for the year	2,592	8,286	9,727	400	37,439	58,444
Eliminated on disposal	-	-	-	-	(69,038)	(69,038)
At 31 March 2024	<u>28,522</u>	<u>17,008</u>	<u>19,714</u>	<u>30,061</u>	<u>305,091</u>	<u>400,396</u>
Carrying amount						
At 31 March 2024	<u>101,118</u>	<u>33,105</u>	<u>30,397</u>	<u>1,473</u>	<u>169,604</u>	<u>335,697</u>
At 31 March 2023	<u>103,710</u>	<u>3,028</u>	<u>18,787</u>	<u>1,833</u>	<u>92,921</u>	<u>220,279</u>

A nominal value of £1 has been placed on the property known as Penrice House by the Trustees on the basis that they believe it cannot be disposed of because this would be contrary to the original bequest. The property is a large Grade II listed early Georgian historic building set in grounds of approximately 76 acres and is used for the charity's primary objective, being registered for the occupation of 29 elderly residents.

The property is insured for £6.7 million.

Penrice House (St. Austell) Limited**Notes to the Financial Statements for the Year Ended 31 March 2024****15 Investment properties**

	2024
	£
At 1 April	825,000
Disposals	(125,000)
Fair value adjustments	15,000
At 31 March	<u>715,000</u>

The investment properties were revalued on an open market basis by the Trustees at 31 March 2024.

No depreciation is provided in respect of these properties.

The historical cost of the investment properties is £Nil.

16 Fixed asset investments

**Financial
assets at fair
value through
profit and
loss
£**

Non-current financial assets**Cost or valuation**

At 1 April 2023	3,112,165
Fair value adjustments	145,586
Additions	8,191
Disposals	<u>(547,859)</u>
At 31 March 2024	<u>2,718,083</u>
Carrying amount	
At 31 March 2024	<u>2,718,083</u>
At 31 March 2023	<u>3,112,165</u>

Included within investments is £177,157 (2023 - £605,016) in relation to investments in deposit accounts.

17 Debtors

	2024	2023
	£	£
Trade debtors	<u>2,612</u>	<u>22,898</u>
	<u>2,612</u>	<u>22,898</u>

Penrice House (St. Austell) Limited**Notes to the Financial Statements for the Year Ended 31 March 2024****18 Creditors**

	2024	2023
	£	£
Due within one year		
Bank loans and overdrafts	21,358	-
Trade creditors	51,832	14,337
Other creditors	16,260	7,630
	<u>89,450</u>	<u>21,967</u>

19 Retirement benefit schemes**Defined contribution schemes**

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

The charge to profit or loss in respect of defined contribution schemes was £21,136 (2023 - £12,774).

20 Related party transactions

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

21 Reconciliation of net movement in funds to net cash flow from operating activities

	2024	2023
	£	£
Net movement in funds	(473,954)	(174,006)
Depreciation	58,444	45,203
(Increase) / decrease in debtors	20,286	(1,078)
Increase / (decrease) in creditors	46,125	(27,299)
Gain on disposal of tangible fixed assets	(7,601)	-
Interest received	(12,777)	(589)
	<u>(369,477)</u>	<u>(157,769)</u>

Penrice House (St. Austell) Limited**Notes to the Financial Statements for the Year Ended 31 March 2024****22 Analysis of net assets between funds****Current year**

	Unrestricted funds	Restricted funds	Total funds 2024
	£	£	£
Fixed assets	335,697	-	335,697
Investments	3,113,605	319,478	3,433,083
Net current assets	30,037	7,832	(22,205)
	<u>3,419,265</u>	<u>327,310</u>	<u>3,746,575</u>

Prior year

	Unrestricted funds	Restricted funds	Total funds 2023
	£	£	£
Fixed assets	220,279	-	220,279
Investments	3,622,028	315,137	3,937,165
Net current assets	42,156	5,928	48,084
	<u>3,884,463</u>	<u>321,065</u>	<u>4,205,528</u>

Penrice House (St. Austell) Limited**Notes to the Financial Statements for the Year Ended 31 March 2024****23 Movement in funds****Current year**

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Unrestricted Funds					
General funds	2,304,368	1,165,264	(1,645,463)	(461,222)	1,362,947
Extraordinary repairs fund	349,827	-	-	586,222	936,049
Revaluation reserve	1,230,269	15,000	-	(125,000)	1,120,269
Total Unrestricted Funds	3,884,464	1,180,264	(1,645,463)	-	3,419,265
Restricted Funds					
The Fred Lovering Assistance fund	315,137	20,934	(16,593)	-	319,478
Amenity fund - bank account	5,838	7,043	(5,139)	-	7,742
Amenity fund - petty cash	90	-	-	-	90
Total Restricted Funds	321,065	27,977	(21,732)	-	327,310
Total Funds	4,205,529	1,208,241	(1,667,195)	-	3,746,575

Prior year

	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
Unrestricted Funds					
General funds	2,336,200	1,091,701	(1,265,706)	142,173	2,304,368
Extraordinary repairs fund	492,000	-	-	(142,173)	349,827
Revaluation reserve	1,230,269	-	-	-	1,230,269
Total Unrestricted Funds	4,058,469	1,091,701	(1,265,706)	-	3,884,464
Restricted Funds					
The Fred Lovering Assistance fund	315,137	-	-	-	315,137
Amenity fund - bank account	5,838	-	-	-	5,838
Amenity fund - petty cash	90	-	-	-	90
Total Restricted Funds	321,065	-	-	-	321,065
Total Funds	4,379,534	1,091,701	(1,265,706)	-	4,205,529

The Extraordinary repairs designated fund is held in order to ensure that sufficient funds will be available to meet major unexpected repair costs to Penrice House and its grounds in future years.

The Fred Lovering Assistance Fund consists of one half of a donation received from Fred Lovering's House on their winding up and is to be used to support residents of Penrice House who are in financial need.

The Amenity fund consists of income held to benefit residents at Penrice House.