

CARE ENGLAND
(A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Company number 02082270
Charity number 296103

CARE ENGLAND
(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

For the year ended 31 December 2022

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CARE ENGLAND
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT

For the year ended 31 December 2022

REFERENCE AND ADMINISTRATIVE DETAILS

CHAIR	Avnish Goyal, BA ACA
VICE-CHAIR	Mike Parsons, BA MBA DBA
TREASURER	Vishal Shah, BSc (Hons), CFA
COMPANY SECRETARY and CHIEF EXECUTIVE	Professor Martin Green OBE, FIAM FRSA FInstLM FIPSM
DIRECTORS	Information on page 6
REGISTERED AND PRINCIPAL ADMINISTRATIVE OFFICE	2 nd Floor 2 Devonshire Square London EC2M 4UJ
AUDITORS	MHA MacIntyre Hudson 6 th Floor 2 London Wall Place London EC2Y 5AU
REGISTRATION NUMBERS	Company number 02082270 Charity number 296103

CARE ENGLAND
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT

For the year ended 31 December 2022

The Trustees of the charity, who are members of the Company and directors for the purpose of company law, present their statutory report together with the accounts of Care England for the year ended 31 December 2022. The charity has opted to prepare its accounts using the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and follow the Charities SORP (FRS 102).

Structure and Governance

Care England is a registered charity (number 296103), incorporated under the Companies Act, being a company limited by guarantee not having share capital.

The charity was incorporated on 9 December 1986 and registered as a charity on 16 February 1987. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute to an amount not exceeding £1.

Care England's mission is to ensure that social and health care in the independent sector can be promoted and protected.

Principal Activities

The Association represents the interests of a substantial percentage of the operators of a wide range of adult social care services in England providing social care and health services in all settings. It aims to be the leading national voice in positioning the adult social care sector at the centre of the national policy and improvement agenda, and to ensure that service users receive quality services which are individually focussed.

Annual Review

Objects of the Charity

The objective of the charity is to promote and protect the standards of social care within the independent sector.

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

It is Care England's intention to ensure that we pursue our primary purpose of supporting quality in the care sector. Policy development and implementation, appropriate funding and intelligent regulation are the key elements of the work streams that we are engaged in to deliver this overall objective. We are also engaged in a process of ensuring a balanced budget and developing activities which should ensure the long-term financial survival and stability of the organisation.

Each year, Care England develops a work programme within its Business Plan and this is designed to ensure that our overall objectives are achieved in an effective and sustainable way and that our administrative processes support this.

As a membership organisation, we recognise that the retention and expansion of membership is one of our primary functions and we have developed a range of membership benefits which are designed to be attractive to the sector and stimulate recruitment. The objectives of the Association are to maintain its position as the largest representative body, to continue to expand our membership and to support a thriving independent sector.

TRUSTEES' ANNUAL REPORT

For the year ended 31 December 2022

Care England works in a collaborative and partnership-based way and has a number of key stakeholders in both central and local government, the Department of Health and Social Care (DHSC) and with the regulatory body, Care Quality Commission (CQC).

Business review

The care sector is going through extremely difficult times post-Covid. We have seen major challenges around the recruitment and retention of staff and significant increases in the cost base. Funding settlements have not kept pace with inflation or delivered enough money to increase staff wages to a point where the sector becomes an attractive destination for those seeking work. The pandemic has left social care with significantly reduced occupancy levels, and these have been slow to return to normal.

Despite the significant challenges, we have seen some excellent examples of the sector responding, particularly in the technology space, where many care providers have started to invest in the future and develop systems that improve services and ensure the most efficient way of delivering care.

The current year

The financial year ending 31 December 2022 ended with a deficit of £26,520, a 55% improvement from the prior year (2021: deficit £58,400). Total income was £1,023,464 (2021: £873,693), whilst total expenditure was £1,041,051 (2021: £932,093).

The significant challenges in the sector have led to a reduction in direct membership of 6%, but this has been offset by significant improvements in supporter members where we have seen an increase of 32% over the last year. This is a positive indication of suppliers' confidence in Care England's credibility in the sector.

The year under review saw significant changes in personnel at Care England as we expanded and restructured our policy team following the retirement of our Director of Policy. We now have a new Head of Policy, supported by a team of officers. This added resource has enabled us to respond more effectively to our members and increase our reach across both health and social care. Special interest groups were expanded to now include the Regulatory and Governance, and Clinical Groups. The new team also played a crucial role in supporting our communication strategy, which significantly helped raise our profile in social media portals.

Last summer, Care England was involved in a series of DHSC-led workshops concerning the Fair Cost of Care exercise and was invited to sit in the tender evaluation panel to determine a cost of care model which councils would use to calculate the Fair Cost of Care. Not only did Care England work with the DHSC, LGA, and ADASS to produce a Fair Cost of Care tool that works for care providers, but we also supported our members in completing the exercise.

As part of the work on fee uplifts in 2022, Care England wrote to LAs offering an uplift of 5% or less. What we found was that most appeared to be awaiting the Fair Cost of Care exercise outcome as the solution to underfunding by central Government. Only when the Fair Cost of Care rates are published, Care England can determine the scope of opportunity to challenge the current and future approach of the authority. Remaining pragmatic, we provided letters for our members to use and facilitate positive engagements with the authorities. In contrast, a significant achievement in the year was when the DHSC announced an 11.5% uplift to FNC for 2022-23 and a backdated COVID payment of 11.5% for the period 2021-22. We are proud that Care England played a crucial role in securing this uplift. We further supported members with challenges surrounding backdated payments and FNC renewals.

On Covid Public Inquiry, Care England applied for Core Participant Status for Modules 1, 2 and 3. Care England was granted Core Participant status in response to the submitted application regarding Module 2 on the basis that a joint approach will be taken with the National Care Forum and the Homecare Association. We have since been declined public funding to help fund our involvement in the Module which sets the precedence for future Modules.

TRUSTEES' ANNUAL REPORT

For the year ended 31 December 2022

2022 saw the formal establishment of the Integrated Care Systems (ICS). Before Integrated Care Boards came into statutory being, Care England produced a report with the Good Governance Institute and Homecare Association which looked at how ICSs can better engage with their adult social care providers. Care England also contributed to the Kings Fund's project, which looked at the role of adult social care providers in ICSs. Care England also worked with large care providers and the NHS Transformation Directorate to look at the issues facing those operating across multiple ICS systems, particularly in relation to digital. Care England has also produced a raft of briefings and reports on Integrated Care Systems and established channels of engagement to better understand their respective strategies and plans. This is coupled with Parliamentary engagements and submissions.

Professor Martin Green became Chair of the Care Provider Alliance CPA from September 2021 until August 2022. For six months from 1 April 2022, Care England was funded by the DHSC via the CPA to undertake work on the Fair Cost of Care exercises. Work undertaken under the CPA Grant went far beyond the KPIs indicated within the Grant Funding Agreement. We spent a substantial amount of time talking through the tools that were/are being used for both home care and care homes.

The funding for the Capacity Tracker ended with the Infection Control and Testing Fund on 31 March 2022. Care England continued to advocate for financial support to be provided to care organisations so that they can continue providing data following the introduction of the Health and Care Act. Care England has been working closely with its members and stakeholders to ensure this mandatory exercise lands as well as possible within the sector.

On the digital front, Care England continues to increase digital awareness and transformation amongst adult social care providers through several ventures of work. Through Digital Social Care, Care England facilitates three out of seven regional liaisons (South West, East of England, London) and has been particularly involved in the development of the DTF's framework for national care providers. Care England also undertook key roles in several projects, including the Vivaldi project in partnership with the Outstanding Society and UCL, which sets out to utilise care home data to improve infection prevention control within care homes. Others include the development of the digital framework for the Enhanced Care Home Framework, which NHSE is developing, and the National Minimum Data Set, the successor to the Capacity Tracker and will be the main source of data collection with adult social care.

Despite the challenges over the recent years, Care England made the decision to continue supporting members at the highest level possible and accept that expenditure are likely to increase to enable this. One of continuing investments is the large-scale redevelopment of MINT. The new database will incorporate the varying rate ranges authorities are adopting and allow for publishing average rates going forward. Further added is the development of an LD page to cover working-age adults in care homes and supported living accommodations. Attempts to review other areas of spending led to the decision to relocate the Care England office for better space management.

Our conference in 2022 was well attended, and we were addressed by the former Secretary of State for Health and Social Care, Sajid Javid. The event was an opportunity to hear from key figures in the sector and gave attendees access to a range of information that could help them deliver care more effectively and creatively.

Future plans

The coming year will be pivotal for Care England as we embark on a major plan to recruit and retain members. Care England will strive to communicate more effectively the work that we do and encourage members to engage more to maximise the benefits of membership. Alongside, initiatives that deliver cost savings and efficiencies to members have already begun and will be boosted in the coming year.

On energy, Care England will continue to play a central role within the Government's discussions about continued energy support post-31 March 2023 and additional energy relief for care providers. At the same time, Care England will continue its effort to develop an energy tariff that will ensure that care providers receive the

TRUSTEES' ANNUAL REPORT

For the year ended 31 December 2022

best possible deal from energy suppliers. Similarly, we will be seeking a partnership to bulk purchase goods and services that are essential to the delivery of high-quality care. We are also looking to collaborate with technology suppliers who can deliver new and innovative ways of supporting people to live well in care homes.

The latest data from Skills for Care shows that there are over 156,000 vacancies within social care, and workforce challenges are one of the most significant issues for the care sector. In response to this, Care England has begun work with the Sri Lankan Government and agencies within Sri Lanka to deliver high-quality, well-trained care staff.

The inadequate funding for the sector has emphasised the need for a database like MINT to give providers valuable data, which can help when negotiating fees with local authorities. The expanded database will be re-launched and efforts to promote MINT to care providers will be heightened in the coming year.

Following the introduction of the new approach to regulation by CQC, Care England has delivered a great deal of information on the changes to its membership. It will continue to engage in dialogue with the regulatory body to ensure that the regulatory system is not only the cornerstone of public protection but also helps providers to improve quality and reduce risk.

In 2023, Care England will be doing a significant amount of work on integration and has formed good relationships with several ICS leaders. We will further our effort with the launching of an ICS membership of Care England. We believe the dialogue between care and health is essential as care providers are integral to delivering high-quality care across the system. We will be developing more data sets that will help ICSs make informed decisions about commissioning care and support services, and they should be of great benefit to Care England members.

Reserves Policy

It is the policy of the charity to hold reserves in its unrestricted fund, which have not been committed or designated for any particular purpose. The trustees have set aside these reserves in order to protect the future of the charity from any unforeseen variations in its future income streams as part of good financial management practice.

The minimum reserves required is six months of the average monthly unrestricted expenses over the last 2 years. For 2022, this amounted to £466,606. At 31 December 2022, the amount of these reserves in the unrestricted fund amounted to £1,321,948 (2021: £1,348,468). The management will review this minimum amount required from time to time to ensure the level set is appropriate for the current climate of the charity and sector. The amount of surplus in the restricted funds amounted to £8,666 (2021: £8,666). This amount is held for assisting and supporting the running of a care home event which takes place from time to time.

Reserves not immediately required for working capital are placed in interest-bearing deposit accounts, as well as investments in bonds. Any surplus of funds may also be used to undertake projects identified as bringing benefits to members.

Risk Management

In common with all organisations, Care England has a robust approach to managing risk and an objective to be risk aware rather than risk averse. Discussion at board meetings and intelligence from our membership and trustees enables us to understand the potential threats and risks, and put in place mitigating actions to reduce them. The trustees' quarterly meeting includes reviews of the principal risks and uncertainties that the charity faces. The trustees consider that financial stability is the major financial risk and manage the risk through regular reviews of liquid funds, debtors and creditors, to ensure adequate working capital is available for all operational areas. Plans and actions are always in constant review to ensure we remain focus on the issues that impact members the most (as identified in page 3 to 5).

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For the year ended 31 December 2022

Board of Trustees

As defined in the Articles of Association, the charity is governed by a Board of Trustees supported by the Chief Executive and Executive team. The trustees meet regularly and review all aspects of the charity's work, including day-to-day operations which are delegated to the Executive team for implementation of the strategies. The Trustees, through the companies they work with who are members of the charity, are also the directors of the company.

Trustees are elected through an election process and not more than seven trustees are elected this way. Co-options of people with particular skills or network that can help the charity pursue its primary goals can be agreed by the elected board. No more than five trustees may be elected this way. Trustees are inducted into the organisation and are given clear written information about their roles and responsibilities. All Trustees receive training in Board responsibilities and legal framework, through Charity Commission Updates and other sources, in discussion of the vision, risk and the strategic plan.

The trustees in office during the year ended 31 December 2022 are detailed below.

AGARWAL, Mala	Athena Care Homes	
ALLEN, James Frank	National Care Group	
CALVELEY, Peter	Barchester Healthcare	
GOYAL, Avnish	Hallmark Care Homes	
HAYES, Paul	CareTech Community Services	(resigned 22 April 2022)
RANSFORD, John	HC-One	(resigned 10 August 2022)
SHAH, Vishal	Banyan Care Group	

To ensure that Care England is as widely representative of our membership as possible, we have established a category of members called experts by experience and their views and experience helps us make informed decisions and mitigate our risk.

Trustee indemnity provisions

The charity has an Office Combined Policy with Towergate Insurance for which a premium of £1,237 was paid for the year ended 31 December 2022. Included in the policy is a Trustee Indemnity Policy which covers the Trustees against certain liability claims up to £250,000 in aggregate per annum.

Key Management Personnel

The pay and remuneration of the Key Personnel Management of the charity are reviewed following staff appraisals and include a benchmarking exercise against other similar roles in the sector. The charity considers Key Management Personnel to comprise the trustees, who receive no remuneration, the Chief Executive, Director of Policy/Policy Manager and Finance Manager.

Fundraising

No fundraising by external consultants is undertaken by the charity. All fundraising by the charity is monitored by the trustees.

Related parties

The trustees are all directors of companies which are members of Care England. None of the trustees receive any benefit from this arrangement.

TRUSTEES' ANNUAL REPORT

For the year ended 31 December 2022

Trustees' responsibilities for the financial statements

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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. In so far as the trustees are aware:

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

Tax status

The Association is a registered charity, number 296103 and thus is not liable to corporation tax.

Small company exemption

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the board and signed on its behalf by



Avnish Goyal
Chair and Trustee

Date: 29th March, 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE ENGLAND

For the year ended 31 December 2022

Opinion

We have audited the financial statements of the Care England (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Charitable Activities, Statement of Financial Position, 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022, 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE ENGLAND

For the year ended 31 December 2022

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 charitable 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE ENGLAND

For the year ended 31 December 2022

Auditor's responsibilities for the audit of the financial statements

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

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

- Performing audit work over the risk of management override of controls, including testing of journal entries for appropriateness and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This 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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE ENGLAND

For the year ended 31 December 2022

Yogan Patel FCA (Senior Statutory Auditor)
for and on behalf of
MHA MacIntyre Hudson
Statutory Auditors
London
UK

Date:

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND
EXPENDITURE ACCOUNT)

For the year ended 31 December 2022

	Notes	2022 £ Restricted funds	2022 £ Unrestricted funds	2022 £ Total Funds	2021 £ Total Funds
<u>Income from:</u>					
Charitable activities	3	75,000	940,236	1,015,236	865,003
Investments	4	-	4,662	4,662	198
Other trading activities	5	-	3,566	3,566	8,492
Total income		75,000	948,464	1,023,464	873,693
<u>Expenditure on:</u>					
Charitable activities	6	(75,000)	(965,613)	(1,040,613)	(930,811)
Raising funds		-	(438)	(438)	(1,282)
Total expenditure		(75,000)	(966,051)	(1,041,051)	(932,093)
Unrealised gain/(loss) on investments	7	-	(8,933)	(8,933)	-
Net income		-	(26,520)	(26,520)	(58,400)
Fund balances as at 1 January		8,666	1,348,468	1,357,134	1,415,534
Fund balances as at 31 December		8,666	1,321,948	1,330,614	1,357,134

There were no recognised gains or losses other than those disclosed in the SOFA for the financial year.

The accompanying accounting policies and notes on pages 15 to 25 form an integral part of these financial statements. All income and expenditure derive from continuing activities.

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STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed Assets					
Tangible Assets	12		42,874		3,304
Current Assets					
Debtors	13	190,547		170,200	
Short-term investments		1,210,709		340,000	
Cash at bank and in hand	20	361,016		1,259,419	
		<u>1,762,272</u>		<u>1,769,619</u>	
Creditors: Amount falling due within one year	14	<u>(472,932)</u>		<u>(391,789)</u>	
Net current assets			<u>1,289,340</u>		<u>1,377,830</u>
Total assets less current liabilities			1,332,214		1,381,134
Provision for liabilities	16		(1,600)		(24,000)
Net Assets			<u>1,330,614</u>		<u>1,357,134</u>
Represented by:					
Unrestricted Funds			1,321,948		1,348,468
Restricted Funds			8,666		8,666
Total Funds	17		<u>1,330,614</u>		<u>1,357,134</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The financial statements were approved by the Board of Directors and authorised for issue on the 29th MARCH 2023 and signed on its behalf by:



Vishal Shah
Trustee

Company registration number 02082270

The accompanying accounting policies and notes on pages 15 to 25 form an integral part of these financial statements.

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STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

	Note	2022 £ Restricted funds	2022 £ Unrestricted funds	2022 £ Total Funds	2021 £ Total Funds
Cash flows from operating activities:					
Net cash provided by / (used in) operating activities	19	-	11,878	11,878	(152,139)
Cash flows from investing activities:					
Investment income		-	4,662	4,662	198
Purchase of tangible fixed assets		-	(44,234)	(44,234)	(2,513)
Net cash provided by investing activities		-	(39,572)	(39,572)	2,315
Change in cash and cash equivalents in the reporting period		-	(27,694)	(27,694)	(154,454)
Cash and cash equivalents as 1 January		8,666	1,590,753	1,599,419	1,753,873
Cash and cash equivalents as 31 December	20	8,666	1,563,059	1,571,725	1,599,419

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1. ACCOUNTING POLICIES

1.1 Accounting convention

Care England is a charitable company, limited by guarantee, incorporated in England and Wales. Its registered office is detailed on Page 1. The financial statements are prepared in sterling, the functional and presentational currency, rounded to the nearest £1.

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

Going Concern

There are no material uncertainties relating to the ability of the charity to continue for the foreseeable future. The trustees have considered the level of funds held and the expected income and expenditure for 12 months from the date of approval of the financial statements. The budget reflects a sufficient level of reserves for the charity to continue as a going concern.

The charity is a company limited by guarantee. The members of the charity are the trustees named on page 6. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Public Benefit Entity

The charity constitutes a public benefit entity as defined by FRS102.

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

1.2 Income and expended resources

Income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Subscriptions received in advance are included within deferred income in creditors.

Grants Receivable

Performance-related grants are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance of its recognition, it is deferred and included in creditors under deferred income.

Restricted and unrestricted income and expenses are charged directly to its activity if it is directly and wholly identifiable to the activity, otherwise general overheads are allocated across the headings based on the charity's time spent on each activity and at following apportionment,

Cost of raising funds	5%
Cost of activities in furtherance of charity's objectives	95% (see note below)

Unless directly identifiable to an activity, resources expended in furtherance of the charity's objectives are further analysed into the following activities:

Direct support to members	60%
Conference /Events	5%
Lobbying/Campaigning & Media Representation	35%

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For the year ended 31 December 2022

These activities are closely interlinked therefore only the best estimate of the time the charity puts into these activities is used for allocating the resources expended.

The charity provides a range of support to its members including policy analysis and dissemination of information and access to executives' advice. Members have also access to legal/human resources helplines as provided by the charity's commercial partners.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the heading of 'expenditure on charitable activities' and includes all costs incurred on furthering the objects of the charity.

Governance costs are those incurred in connection with the compliance with constitutional and statutory requirements.

1.3 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvement	- length of lease
Computer equipment	- 3 years, straight line basis
Furniture	- 3 years, straight line basis

1.4 Fund Structure

All of the charity's funds, unless otherwise specified, are unrestricted and expendable at the discretion of the trustees in the furtherance of the objects of the charity.

Restricted funds are subject to restrictions imposed by the donors or the purpose of the funds.

1.5 Contribution to pension funds

The company makes pension contributions to the personal defined contribution pension scheme of one employee and the minimum contribution under the auto-enrolment scheme for all other eligible employees who opted in. The pension costs charged against income represent the amount of the contributions payable to the schemes in respect of the accounting period. The assets of the schemes are held separately from those of the charity.

1.6 Cash at bank and in hand

Cash at bank and in hand includes cash deposited in banks.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1.7 Short-term investments

Short-term investments include investments or deposits with no maturity date or with maturity date of 12 months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Operating Leases

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

1.9 Financial Instruments

The Charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Charity and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 13. Prepayments are not financial instruments. Cash at bank and short-term liquid investments are classified as basic financial instruments and is measured at face value.

Financial liabilities - accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Note 14 and taxation and National Insurance are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Debtors and creditors receivable / payable within one year

Debtors are recognised when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Creditors are recognised when the Charity has a present legal or constructive obligation resulting from a past event and the settlement is expected to result in an outflow of economic benefits.

1.11 Provisions

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The judgement and key assumptions concerning estimation uncertainty at the reporting date relate only to depreciation of fixed assets and the recoverability of debtors. The trustees consider that there is no significant risk in relation to material adjustments to carrying values within the next financial year.

3. INCOME FROM CHARITABLE ACTIVITIES

Unrestricted Funds

Incoming resources from activities in furtherance of charity's objectives includes the following,

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For the year ended 31 December 2022

	2022	2021
	£	£
Subscriptions	817,448	814,320
Conference and other activities	122,788	20,683
	<u>940,236</u>	<u>835,003</u>

Incoming resources from activities in furtherance of charity's objectives are further allocated to the different activities of the charity,

	2022	2021
	£	£
Direct Support to Members	511,192	501,002
Events	130,849	41,750
Campaigning/Lobbying/Media representation	298,195	292,251
	<u>940,236</u>	<u>835,003</u>

Restricted Funds

The restricted fund income is funding received for work relating to the following

	2022	2021
	£	£
Income assigned to charitable activities		
Music project	-	30,000
CPA Grant	75,000	-
	<u>-</u>	<u>-</u>
	<u>75,000</u>	<u>30,000</u>

4. INCOME FROM INVESTMENTS

Incoming resources from investment income of £4,662 (2021: £198) represents deposit interest on bank balances.

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from other trading activities of £3,566 (2021: £8,492) represents income received from brokering of commercial deals and circulation of suppliers' product information to members.

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Unrestricted Funds

	Activities undertaken directly	Support Costs	Total 2022
	£	£	£
Direct Support to Members	600,887	157,169	758,056
Conference/events	83,557	13,097	96,654
Campaigning/Lobbying/ Media Representation	19,221	91,682	110,903
Total Charitable Activities	<u>703,665</u>	<u>261,948</u>	<u>965,613</u>

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NOTES TO THE FINANCIAL STATEMENTS

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Note 6 continued

	Activities undertaken directly £	Support Costs £	Total 2021 £
Direct Support to Members	609,809	134,062	743,871
Conference/events	139	11,172	11,311
Campaigning/Lobbying/ Media Representation	67,426	78,203	145,629
Total Charitable Activities	677,374	223,437	900,811

Restricted Funds

	2022 £	2021 £
Music project	-	30,000
CPA Grant	75,000	-
	-	-
	75,000	30,000

Analysis of Support Costs:

	2022 £	2021 £
Staff	104,811	102,895
Property-related	58,954	71,591
Governance (note 8)	11,468	8,690
Computer/IT	31,605	15,860
Other operating lease	5,446	8,065
Depreciation	4,664	2,064
Others	45,000	14,271
	261,948	223,437

7. UNREALISED GAIN/(LOSS) ON INVESTMENTS

The value of the investments held at CCLA Investment Fund gave rise to an unrealised loss as of 31 December 2022. The investments held have no maturity date.

8. GOVERNANCE COST

	2022 £	2021 £
Audit remuneration	11,468	8,690

9. EMPLOYEES

Staff costs during the year were as follows,

	2022 £	2021 £
Wages and salaries	467,561	491,014
National Insurance contribution	51,658	53,891
Pension costs	8,797	12,249
	528,016	557,154

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Included within Wages and salaries are temporary staff costs of £4,480 (2021: £6,287).

The average number of employees during the year was as follows,

	2022	2021
	<u>Number</u>	<u>Number</u>
Office and management	<u>10</u>	9

No emoluments or expenses were paid or waived by the trustees in the year (2021: none).

Number of employees receiving annual emoluments in excess of £60,000:

	2022	2020
	<u>Number</u>	<u>Number</u>
£80,000 to £89,999	-	1
£130,000 to £139,999	-	1
£140,000 to £149,999	1	-

Key Management Personnel Compensation

The pay and remuneration of the Key Personnel Management of the charity are reviewed from time to time. The pay is benchmarked against other similar roles in the sector. The Key Management Personnel Compensation including employer National Insurance and pension contribution paid in the year was £300,304 (2021: £307,580). The charity considers Key Management Personnel to comprise the trustees, who receive no remuneration, the Chief Executive, Director of Policy/Head of Policy and Finance Manager.

10. NET INCOMING RESOURCES

Net incoming resources are stated after charging	2022	2021
	<u>£</u>	<u>£</u>
Auditors' remuneration for audit of the accounts	11,468	8,690
Auditors' remuneration for payroll services	2,293	2,243
Depreciation	4,664	2,064
Operating leases - property	43,523	45,000
- others	5,446	8,065

11. TAXATION

The charity is a registered charity (number 296103) and is therefore not liable to corporation tax.

The charity is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporate tax purposes.

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For the year ended 31 December 2022

12. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Furniture	Computer Equipment £	Total £
Cost				
At 1 January 2022	-	-	5,601	5,601
Additions	27,931	6,329	9,974	44,234
Fully depreciated assets	-	-	(649)	(649)
At 31 December 2022	<u>27,931</u>		<u>5,601</u>	<u>49,186</u>
Depreciation				
At 1 January 2022	-	-	2,297	2,297
Charge for the year	838	614	3,212	4,664
Fully depreciated assets	-	-	(649)	(649)
At 31 December 2022	<u>838</u>	<u>614</u>	<u>4,860</u>	<u>6,312</u>
Net book value				
At 31 December 2022	<u>27,093</u>	<u>5,715</u>	<u>10,066</u>	<u>42,874</u>
Net book value				
At 31 December 2021	-	-	<u>3,304</u>	<u>3,304</u>

13. DEBTORS

	2022 £	2021 £
Trade debtors	112,092	83,324
Prepayments and accrued income	47,888	50,787
Other debtors	30,567	36,089
	<u>190,547</u>	<u>170,200</u>

Other debtors include deposit for leased property of £23,280 (2021: £22,048) due after more than one year.

14. CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Accruals and deferred income	455,539	373,463
Taxation and National Insurance	14,666	15,355
Other creditors	2,727	2,971
	<u>472,932</u>	<u>391,789</u>

The pension liability at 31 December 2022 is £1,527 (2021: £1,234) with pension cost for the year at £8,797 (2021: £12,249).

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For the year ended 31 December 2022

15. DEFERRED INCOME

	2022	2021
	£	£
Balance brought forward	331,414	495,172
Release to income during the year	(331,414)	(495,172)
Subscriptions income raised in advance in this year and not paid	102,550	81,625
Subscriptions in advance received in this year	309,673	247,289
Grant and other restricted income in advance received in this year	-	-
Other income raised in advance in this year	3,000	2,500
	<u>415,223</u>	<u>331,414</u>

16. PROVISIONS FOR LIABILITIES

Property provision

	2022	2021
	£	£
As at 1 st January	24,000	24,000
Discharge for the year	(24,000)	-
Addition for the year	1,600	-
As at 31 st December	<u>1,600</u>	<u>24,000</u>

Property dilapidation of £24,000 was discharged in the year when the related lease ended in September 2022. A new provision began in the year for a new lease expiring in September 2027.

17. STATEMENT OF FUNDS

Statement of Funds – current year

	Balance at 1 January 2022	Income	Expenditure	Balance at 31 December 2022
	£	£	£	£
Unrestricted Funds	1,348,468	948,464	(974,984)	1,321,948
Restricted Funds				
Care Staff/ Registered Nurses	8,666	-	-	8,666
CPA grant	-	75,000	(75,000)	-
Total Restricted Funds	8,666	75,000	(75,000)	8,666
Total Funds	1,357,134	1,023,464	(1,049,984)	1,330,614

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

Statement of Funds – prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
Unrestricted Funds	1,406,868	843,693	(902,093)	1,348,468
Restricted Funds				
Music Project	-	30,000	(30,000)	-
Care Staff/ Registered Nurses	8,666	-	-	8,666
Total Restricted Funds	8,666	30,000	(30,000)	8,666
Total Funds	1,415,534	873,693	(932,093)	1,357,134

Analysis of Assets between Funds

	2022 £ Restricted Funds	2022 £ Unrestricted Funds	2022 £ Total Funds
Tangible Fixed Assets	-	42,874	42,874
Cash at balance and in hand	8,666	1,563,059	1,571,725
Debtors	-	190,547	190,547
Creditors	-	(472,932)	(472,932)
Provision for liabilities	-	(1,600)	(1,600)
Total	8,666	1,321,948	1,330,614

	2021 £ Restricted Funds	2021 £ Unrestricted Funds	2021 £ Total Funds
Tangible Fixed Assets	-	3,304	3,304
Cash at balance and in hand	8,666	1,590,753	1,599,419
Debtors	-	170,200	170,200
Creditors	-	(391,789)	(391,789)
Provision for liabilities	-	(24,000)	(24,000)
Total	8,666	1,348,468	1,357,134

18. STATEMENT OF CHANGE IN RESOURCES APPLIED FOR FIXED ASSETS FOR THE CHARITY USE

	2022 £	2021 £
Net movement in unrestricted funds for the year	(26,520)	(58,400)
Resources used for net acquisition of tangible fixed assets	(44,234)	(2,513)
Net movement in unrestricted funds available for future activities	(70,754)	(61,913)

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2022 £	2022 £
	Restricted	Unrestricted funds	Total Funds
Net movement in funds for the reporting period (as per the statement of financial activities)	-	(26,520)	(26,520)
Depreciation charges	-	4,664	4,664
Dilapidation charges	-	(22,400)	(22,400)
Interest from investment	-	(4,662)	(4,662)
Increase in debtors	-	(20,347)	(20,347)
Increase in creditors	-	81,143	81,143
Net cash provided by/(used in) operating activities	-	11,878	11,878

	2021 £	2021 £	2021 £
	Restricted	Unrestricted funds	Total Funds
Net movement in funds for the reporting period (as per the statement of financial activities)	-	(58,400)	(58,400)
Depreciation charges	-	2,064	2,064
Interest from investment	-	(198)	(198)
Decrease in debtors	38,220	62,494	100,714
Increase in creditors	-	(196,319)	(196,319)
Net cash provided by/(used in) operating activities	38,220	(190,359)	(152,139)

20. ANALYSIS OF CASH AND CASH EQUIVALENTS INCLUDING NET DEBT

Analysis of Net Cash

	At 1 January 2022 £	Cash flows £	Non cash changes £	At 31 December 2022 £
Short term investments	-	-	1,210,709	1,210,709
Cash and cash equivalents	1,599,419	(27,694)	(1,210,709)	361,016
Total net cash	1,599,419	(27,694)	-	1,571,725

21. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2022 or 31 December 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

22. LEASING COMMITMENT

At the balance sheet date, the company had commitments under non-cancellable operating leases as follows;

Operating leases which expire:

	2022	2021
	£	£
Within one year	51,513	36,695
Between two to five years	174,550	3,873
	<u>226,063</u>	<u>40,568</u>

23. CAPITAL COMMITMENTS

There were no capital commitments at 31 December 2022 or 31 December 2021.

24. RELATED PARTIES

Care England is a membership organisation. All of the trustees of Care England are directors, trustees or staff of companies and associations that are members of Care England. Owing to the nature of the operations of Care England, and the trustees being drawn from the organisations that are members of Care England, it is inevitable that transactions take place between Care England and organisations in which trustees have an interest. All transactions between the various organisations and Care England are at arm's length and are on the same basis for all members. None of the trustees of Care England or the companies and associations that they represent receives any benefit from these arrangements.

There are no other related party transactions in the reporting period or previous period that require disclosure.

