

**Company Registration No: 02345874**

**Charity Registration No: 701958**

**CLEVELAND ALZHEIMER'S RESIDENTIAL  
CENTRE LIMITED**

**(A company limited by guarantee)**

**REPORT OF THE DIRECTORS AND  
UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED**  
(A company limited by guarantee)  
**REPORT OF THE DIRECTORS AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED**  
(A company limited by guarantee)

**TRUSTEES'/DIRECTORS' REPORT**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

The trustees present their report, together with the unaudited financial statements of the charity, for the year ended 30 September 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing documents, the Charities Act 2011 and 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland', published in October 2019.

**Trustees of the Charity**

The directors of the charitable company are its trustees for the purposes of charity law. Details of the trustees who have served during the year and since the year end can be found on page 4.

**OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The objects of the charity are to relieve, treat and promote the relief and treatment of those diagnosed with Alzheimer's disease and related disorders and to provide support for such persons and their families. The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit in reviewing the charity's aims and objectives.

In previous years, the charity's objectives were primarily achieved by the letting of two fully equipped care homes to its operating subsidiary Poplars Alzheimer's Lodge Limited, until those homes were sold in 2019. Since then, the charity has continued to provide advocacy and support to those affected by Alzheimer's and related disorders, including their families and carers.

The trustees have continued to review the strategic plan, in order to maintain the operation of the organisation in the manner most consistent with the needs of those requiring our services, focussing attention on the following key areas:

- finance
- fundraising
- marketing
- organisational development

The charity has been served throughout by numerous volunteers who have given their time freely to provide the following support services:

- fusion café work
- advocacy
- Dementia Friendly Community dances.

The trustees acknowledge their indebtedness to the volunteers for their continued efforts on behalf of the organisation.

**ACHIEVEMENTS, PERFORMANCE AND PLANS FOR FUTURE PERIODS**

The financial year under review has again been an extremely challenging one but has allowed for a continued period of restructuring and refocussing for the charity.

The previously mentioned property sales generated sufficient unrestricted reserves to enable the charity to repay its long-term loans with Barclays Bank, and other external creditors, in full.

Following the sale of the two care homes, and once the final debtors/creditors reconciliations had been completed, the directors of PAL, with the full support of their fellow charity trustees, took the decision to place that company into liquidation, which is currently in progress and is being handled by Begbies Traynor Group.

In January 2020, the trustees had agreed a proposed strategy of internal change and external expansion to enable the charity to sustain and grow, both geographically and financially, to be funded out of the reserves from the sale of the two homes. These plans had to be quickly adapted to help local people affected by dementia through the significant challenges of three Covid lockdowns and a slow return to a 'new normal'.

As a consequence, the priority of the charity during 2020/2021 has centred on helping people to be resilient and supporting them during the waves of Covid-19, so that they were able to stay connected to their families, support networks and communities.

With significantly reduced income from fundraising, the trustees had to utilise the Coronavirus Job Retention Scheme (CJRS), and staff were furloughed, which prevented any job losses during the pandemic and reduced cash outflow.

# CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED

(A company limited by guarantee)

## TRUSTEES'/DIRECTORS' REPORT (*Continued*)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

### ACHIEVEMENTS, PERFORMANCE AND PLANS FOR FUTURE PERIODS (*Continued*)

#### Plans for the Future

The effects of Covid-19 on the charity cannot be understated. During the 2020/2021 financial year and beyond, projections show a predicted deficit as the charity continues its transition. Throughout the financial year, we continued to look at ways to develop both trading opportunities and grant-supported services, with a more definite focus on community and home-based support. The pandemic disrupted our plans and we continued to find ourselves in a very challenging position, as fundraising events that usually generated unrestricted income were cancelled in line with government restrictions.

In May 2021, we successfully secured funding for two new projects to contribute to our ongoing service delivery. This enabled us to provide a new dementia-specific bereavement service in Stockton-on-Tees and a 'reducing loneliness and isolation' volunteer service across the three boroughs of Stockton-on-Tees, Middlesbrough and Redcar & Cleveland. These projects created one new job opportunity and five new volunteer positions.

The trustees examined the proposed business plan in the light of continuing Covid restrictions and concluded that the staffing levels together with operating costs were too high and, after consultation, made further posts redundant in order to conserve cash reserves. The likelihood of grant funding increasing substantially in the near term is slim in the extreme, though the demand for the services that Clevearc can provide is unquestionable.

We continued building working relationships with other organisations to enable us to deliver projects in other areas. We were able to work with an independent expert to explore possible opportunities for the sustainability of the charity going forward. This work will now inform the review of the charity's Vision, Mission, Values and Strategic Direction and the formulation and application of a new business plan.

Because there is increased uncertainty as regards future funding to the voluntary sector due to Covid-19 we will search for new income streams, particularly through trading and donations, to improve the charity's financial stability. We will also continue our work around improving care for people and families living with dementia across the Tees Valley, and assess its impact through our ongoing development and success in creating inclusive dementia-friendly communities.

### FINANCIAL REVIEW

A summary of the income and expenditure of the charity, and of its opening and closing balance sheet positions, is provided within the annexed accounts.

The charity ended the financial year with unrestricted cash reserves of £274,484 (previous year: £447,644) which continues to be used as seed-funding for the charity's activities going forward.

#### Reserves Policy

In past accounting periods, and in the normal course of events, the trustees would have expected the trading subsidiary company to generate sufficient profits to enable it to pay annual amounts by way of property rental and gift aid donation to the parent charity. This, in turn, would have enabled the parent charity to generate annual net incoming resources and maintain its own reserves for the ongoing funding of its bank loan repayments, beyond which the charity itself had little need to retain significant cash reserves.

Following on from the matters referred to above, particularly around the cessation of the subsidiary company's activities and the restructuring and reorganising of the charity's affairs (including full repayment of its bank loans), the trustees have considered their requirements in terms of minimum levels of cash-backed unrestricted reserves going forward. At present, this is expected to be fairly modest, given the charity's transition towards becoming a grant-funded provider of services and support, rather than an owner of specialist care homes.

#### Investment Powers and Policy

Under its Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit.

The trustees have operated a policy of retaining surplus funds in an interest-bearing bank deposit account.

**CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED**  
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**TRUSTEES'/DIRECTORS' REPORT (*Continued*)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

Cleveland Alzheimer's Residential Centre Limited is a company, limited by guarantee and not having a share capital, governed by its Memorandum and Articles of Association dated 10 February 1989. It is also a charity registered with the Charity Commission. Members of the company agree to contribute an amount not exceeding £1 in the event of the charity being wound up.

### **Appointment of Trustees/Members of the Council of Management**

The initial members of the Council of Management were the subscribers to the Memorandum and Articles of Association. New members are appointed from time to time at the discretion of existing members to fill identified skills gaps. The minimum number of members is three.

In relation to the Companies Act 2006, members of the Council of Management are also directors of the limited company.

### **Trustee Induction and Training**

New trustees normally attend an initial meeting with the Chairman. This meeting involves consideration of and discussion around the latest reports and financial statements, Memorandum and Articles of Association, Ethos and Values Statements, Corporate Brochure and Business Plan. Copies of all of these documents are then retained by the new trustee.

Trustees are encouraged to attend appropriate external training events, where these will facilitate the undertaking of their role, and are also provided with in-house mentoring and support when required.

### **Organisation**

The charity is administered by the trustees who, throughout the year under review, delegated responsibility for the day to day operations of the charity to its CEO.

### **Remuneration of Key Management Personnel**

The trustees consider the CEO to be the Key Management Personnel of the organisation. The remuneration package for the CEO has been reviewed on an annual basis having regard to external factors such as the recruitment market and salary rates for positions offered locally by other care providers.

### **Related Parties**

The charity owns 100% of the issued share capital of Poplars Alzheimer's Lodge Limited. That company was set up to operate two care homes and to provide respite and day care for people living with dementia. The whole of the profits of Poplars Alzheimer's Lodge Limited have historically been paid across to the charity by way of rent and/or gift aid.

### **Risk Management**

The trustees have developed a corporate risk register which identifies the areas of risk to which they believe the charity is exposed. The major risk categories have been identified as follows:

- legislative
- financial
- technological
- compliance
- community
- managerial
- people
- social.

The trustees have then highlighted the main issues within each of the above categories and have developed risk reduction strategies to enable them to manage those issues.

The corporate risk register is used as a monitoring tool and is reviewed at each governance meeting.

**CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED**  
(A company limited by guarantee)

**TRUSTEES'/DIRECTORS' REPORT** *(Continued)*

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Company Registration No:</b>	02345874
<b>Charity Registration No:</b>	701958
<b>Governing Document:</b>	Memorandum and Articles of Association dated 10 February 1989
<b>Registered Office:</b>	Redheugh House 1st Floor, Thornaby Place Thornaby Stockton-on-Tees TS17 6SG
<b>Independent Examiner:</b>	Mr. J. Lester FCA Baines Jewitt Limited Barrington House 41-45 Yarm Lane Stockton-on-Tees TS18 3EA
<b>Bankers:</b>	Barclays Bank plc P.O. Box 235 Barclays House Teesdale Business Park Stockton-on-Tees TS17 6YJ
<b>Trustees/Members of the Council of Management:</b>	Mr. H.A. Kitching (Chairman) Dr. J.R. Mann (resigned 18.12.20) Mrs. F.L. Harding Mr. A.G. Southall Mr. H. McGouran (Vice-Chairman) Mrs. D.J. Smith
<b>Company Secretary:</b>	Mr. G. Skeoch (resigned 10.9.21)
<b>Chief Executive Officer:</b>	Ms. G.G. Tweed (left 10.9.21)

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

**Approval**

This report was approved by the trustees/directors on 27 January 2022  
and signed on their behalf by:

**MR. H.A. KITCHING**  
Chair of Trustees

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED**

I report to the charity trustees on my examination of the accounts of the company for the year ended 30 September 2021, which are set out on pages 6 to 15.

### **Responsibilities and basis of report**

As the charity trustees of the company (who are also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### **Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

*J. Lester*

**Mr. J. Lester FCA  
Baines Jewitt Limited  
Barrington House  
41-45 Yarm Lane  
Stockton-on-Tees  
TS18 3EA**

**Dated: 27 January 2022**

**JL/AJD**

# CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED

(A company limited by guarantee)

## STATEMENT OF FINANCIAL ACTIVITIES (including Summary Income and Expenditure Account)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

		Unrestricted Funds		Restricted Funds		Total Funds	
	Notes	2021	2020	2021	2020	2021	2020
		£	£	£	£	£	£
<b>Income from:</b>							
Grants, donations and legacies	3	34,383	33,384	59,592	48,037	93,975	81,421
Charitable activities	4	160	1,013	-	-	160	1,013
Investments	5	109	431	-	-	109	431
<b>Total Income</b>		<b>34,652</b>	34,828	<b>59,592</b>	48,037	<b>94,244</b>	82,865
<b>Expenditure on:</b>							
Raising funds	6	-	43	-	-	-	43
Charitable activities	7	201,242	226,551	58,492	68,890	259,734	295,441
<b>Total Expenditure</b>		<b>201,242</b>	226,594	<b>58,492</b>	68,890	<b>259,734</b>	295,484
Net gains/(losses) on investments	13	626	(2,287)	-	-	626	(2,287)
<b>Net Income/(Expenditure)</b>		<b>(165,964)</b>	(194,053)	<b>1,100</b>	(20,853)	<b>(164,864)</b>	(214,906)
<b>Transfers between funds</b>		<b>(8,196)</b>	13,075	<b>8,196</b>	(13,075)	-	-
<b>Other recognised gains/(losses):</b>							
Profit on disposal of freehold land and buildings (net of costs)		-	119,919	-	-	-	119,919
Provision for impairment of subsidiary company loan	12&18	-	(500,000)	-	-	-	(500,000)
<b>Net movement in funds</b>	8	<b>(174,160)</b>	(561,059)	<b>9,296</b>	(33,928)	<b>(164,864)</b>	(594,987)
<b>Reconciliation of funds:</b>							
Total funds brought forward	17	447,644	1,008,703	87,062	120,990	534,706	1,129,693
<b>Total funds carried forward</b>	<b>16&amp;17</b>	<b>273,484</b>	447,644	<b>96,358</b>	87,062	<b>369,842</b>	534,706

The Statement of Financial Activities includes all gains and losses recognised in the period.



**CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED**

(A company limited by guarantee)  
**Company Registration No: 02345874**

**BALANCE SHEET AS AT 30 SEPTEMBER 2021**

	Notes	£	2021 £	£	2020 £
<b>FIXED ASSETS</b>					
Tangible assets	11		1,982		5,801
<b>CURRENT ASSETS</b>					
Debtors	12	137,939		140,199	
Cash at bank and in hand		246,363		417,796	
Investments	13	2,763		2,137	
		387,065		560,132	
<b>CURRENT LIABILITIES</b>					
Creditors: Amounts falling due within one year	14	(19,205)		(31,227)	
<b>NET CURRENT ASSETS</b>			367,860		528,905
<b>NET ASSETS</b>			369,842		534,706
<b>Funds</b>	16 & 17				
Unrestricted - General			268,484		442,644
- Designated			5,000		5,000
			273,484		447,644
Restricted			96,358		87,062
			369,842		534,706

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2021.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 September 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charitable company keeps proper accounting records which comply with Sections 386 and 387 of the Companies Act 2006, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial period and of its surplus or deficit for the financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

These financial statements were approved by the trustees on 27 January 2022 and signed on their behalf by:

**MR. H.A. KITCHING**  
**Chair of Trustees**

# CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

### 1. STATUTORY INFORMATION

Cleveland Alzheimer's Residential Centre Limited is a charitable company limited by guarantee, incorporated in England and Wales. 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. The address of the registered office is given in the Reference and Administrative Details on page 4 of these financial statements. The nature of the charity's operations and principal activities are to relieve, treat and promote the relief and treatment of those diagnosed with Alzheimer's disease and related disorders and to provide support for such persons and their families.

### 2. ACCOUNTING POLICIES

#### (a) Basis of Preparation of the Financial Statements

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', issued in October 2019, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. They are prepared in pounds sterling, which is the functional currency of the charity, and rounded to the nearest pound.

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

#### (b) Income Recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) 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.

For grants and donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the grant or donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity whilst it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest and is included when the amount can be measured reliably and the charity's right to receive payment is established.

#### (c) Resources Expended

Resources expended are recognised in the Statement of Financial Activities on an accruals basis, inclusive of VAT. Individual costs are allocated between the various headings in the Statement of Financial Activities by reference to the underlying nature or reason for which those costs were incurred, on an estimated basis.

#### (d) Funds

Unrestricted general funds are those available for use at the discretion of the trustees, in furtherance of the general objectives of the charity, and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds are those which are to be used in accordance with specific restrictions imposed by the donor or as the result of a specific appeal or application. Such funds are kept separate from the unrestricted funds of the charity and only related expenditure is charged against them.

# CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

### 2. ACCOUNTING POLICIES (*Continued*)

#### (e) Fixed Assets and Depreciation

Fixed assets are stated at cost less depreciation. Depreciation is calculated so as to write off the cost, less estimated residual value, of an asset over the estimated useful life of that asset as follows:

Fixtures and equipment	- 15% reducing balance
Motor vehicles	- 25% reducing balance

#### (f) Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations at each balance sheet date.

#### (g) Debtors and Creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Debtors are recognised at the settlement amount due.

#### (h) Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### (i) Loans and Borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method.

#### (j) Pension Costs

Contributions, which are payable into the personal pension plans of individual members of staff, are charged to the Statement of Financial Activities for the period to which they relate.

#### (k) Going Concern

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

### 3. INCOME FROM GRANTS, DONATIONS AND LEGACIES

	Unrestricted Funds		Restricted Funds		Total Funds	
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Grants	27,096	29,680	52,025	38,704	79,121	68,384
Donations	7,287	3,704	7,567	9,333	14,854	13,037
	<u>34,383</u>	<u>33,384</u>	<u>59,592</u>	<u>48,037</u>	<u>93,975</u>	<u>81,421</u>

### 4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted Funds		Total Funds	
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Fundraising events	-	1,013	-	-	-	1,013
Training activities	160	-	-	-	160	-
	<u>160</u>	<u>1,013</u>	<u>-</u>	<u>-</u>	<u>160</u>	<u>1,013</u>

# CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

### 5. INCOME FROM INVESTMENTS

	Unrestricted Funds	
	2021	2020
	£	£
Bank interest	33	376
Dividends	76	55
	<u>109</u>	<u>431</u>

### 6. EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds	
	2021	2020
	£	£
Fundraising expenditure	-	43
	<u>-</u>	<u>43</u>

### 7. EXPENDITURE ON CHARITABLE ACTIVITIES

		Unrestricted Funds		Restricted Funds		Total Funds	
	Basis of Allocation	2021	2020	2021	2020	2021	2020
		£	£	£	£	£	£
Depreciation:							
- fixtures and equipment	Direct	350	835	-	-	350	835
- motor vehicles	Direct	-	357	-	-	-	357
Loss on disposal of fixed assets	Direct	469	1,938	-	-	469	1,938
		<u>819</u>	<u>3,130</u>	<u>-</u>	<u>-</u>	<u>819</u>	<u>3,130</u>
Rent and service charge	Direct	18,002	1,729	-	-	18,002	1,729
Rates and water	Direct	852	428	-	-	852	428
Heating and lighting	Direct	1,570	-	-	-	1,570	-
Insurance	Direct	2,113	830	-	-	2,113	830
Staff costs	Direct	98,470	64,967	42,859	60,151	141,329	125,118
Staff settlement agreement	Direct	23,000	-	-	-	23,000	-
Repairs and renewals	Direct	-	5,000	-	-	-	5,000
Bank charges and interest - loan accounts (incl. £42,915 early settlement costs)	Direct	-	46,891	-	-	-	46,891
Other loan interest	Direct	-	1,355	-	-	-	1,355
Other bank charges	Direct	866	1,009	-	-	866	1,009
Sundry expenses	Direct	773	1,436	405	14	1,178	1,450
Protective equipment	Direct	-	-	-	555	-	555
Training	Direct	-	-	-	120	-	120
Residents gifts and activities	Direct	-	302	-	-	-	302
Dementia cafe expenses	Direct	-	-	636	831	636	831
Bereavement service expenses	Direct	-	-	186	-	186	-
Events	Direct	-	-	11,903	5,375	11,903	4,375
Telephone and internet	Direct	1,277	1,287	913	350	2,190	1,637
Printing, postage and stationery	Direct	2,391	1,173	-	750	2,391	1,923
Subscriptions	Direct	2,188	1,396	-	-	2,188	1,396
Hire of equipment	Direct	9,560	1,802	-	-	9,560	1,802
Travelling expenses	Direct	-	-	1,590	1,520	1,590	1,520
Volunteer expenses	Direct	-	-	-	224	-	224
Motor expenses	Direct	749	528	-	-	749	528
Removal and storage costs	Direct	2,850	2,319	-	-	2,850	2,319
Governance costs	See below	35,762	90,969	-	-	35,762	90,969
		<u>201,242</u>	<u>226,551</u>	<u>58,492</u>	<u>68,890</u>	<u>259,734</u>	<u>295,441</u>

# CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

### 7. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

Governance Costs	Basis of Allocation	Unrestricted Funds		Restricted Funds		Total Funds	
		2021 £	2020 £	2021 £	2020 £	2021 £	2020 £
Accountancy and independent examination fees	Direct	7,000	7,980	-	-	7,000	7,980
Legal, clinical and other professional fees	Direct	28,762	82,989	-	-	28,762	82,989
		<u>35,762</u>	<u>90,969</u>	<u>-</u>	<u>-</u>	<u>35,762</u>	<u>90,969</u>

### 8. NET MOVEMENT IN FUNDS FOR THE YEAR

The net movement in funds for the year is stated after charging:	2021 £	2020 £
Depreciation of owned tangible fixed assets	350	1,192
Loss on disposal of fixed assets	469	1,938
Provision for impairment of subsidiary company loan	-	500,000
Profit on disposal of freehold land and buildings (net of costs)	-	(119,919)
External examiner's remuneration:		
- independent examination	4,350	4,350
- accountancy, taxation, consultancy and other services	2,650	3,630
Charges and interest on bank loans (incl. early settlement costs of £42,915)	-	46,891
Interest on other loan	-	1,355
Operating lease payments	<u>1,766</u>	<u>1,766</u>

### 9. STAFF COSTS AND TRUSTEES' REMUNERATION

	2021 £	2020 £
Salaries and wages	130,478	118,070
Social security costs	9,235	5,574
Pension contributions	1,616	1,474
	<u>141,329</u>	<u>125,118</u>

One employee earned more than £60,000 per annum (2020: none).

No trustee received remuneration or reimbursement of expenses during the current or previous period.

The total remuneration cost for Key Management Personnel during the year was £70,923 (2020: £44,527).

### 10. STAFF NUMBERS

The average number of employees during the year was five (2020: five).

# CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

### 11. TANGIBLE FIXED ASSETS

	Fixtures and Equipment £	Motor Vehicles £	Total £
<b>COST</b>			
At beginning of year	33,055	24,329	57,384
Additions	-	-	-
	<u>33,055</u>	<u>24,329</u>	<u>57,384</u>
Disposals	(20,728)	(24,329)	(45,057)
	<u>12,327</u>	<u>-</u>	<u>12,327</u>
<b>DEPRECIATION</b>			
At beginning of year	28,324	23,259	51,583
On disposals	(18,329)	(23,259)	(41,588)
	<u>9,995</u>	<u>-</u>	<u>9,995</u>
Charge for year	350	-	350
	<u>10,345</u>	<u>-</u>	<u>10,345</u>
<b>NET BOOK VALUE</b>			
At beginning of year	<u>4,731</u>	<u>1,070</u>	<u>5,801</u>
	<u>1,982</u>	<u>-</u>	<u>1,982</u>

### 12. DEBTORS

	2021 £	2020 £
Loan account balance due from Poplars Alzheimer's Lodge Limited	636,947	636,947
<b>Less:</b> Impairment provision (see below)	<u>(500,000)</u>	<u>(500,000)</u>
	<u>136,947</u>	<u>136,947</u>
Other debtors and prepayments	992	3,252
	<u>137,939</u>	<u>140,199</u>

Impairment provision - the charity made an impairment provision of £500,000 against the loan account balance due from its subsidiary company at the previous balance sheet date. This loan reflects the ongoing financial support to enable that company to continue trading, thereby safeguarding a high standard of continuing care for the remaining residents, through to the date of sale, and maximising the selling price of the freehold property. It is hoped that some, if not all, of the remaining loan account balance will be recovered by means of the return of any residual cash balances to the charity on completion of the liquidation of the subsidiary company.

# CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

### 13. CURRENT ASSET INVESTMENTS

	2021	2020
	£	£
<b>Listed Equity Shares (708 HSBC)</b>		
Market value at beginning of year	2,135	4,422
Gain/(loss) on revaluation - per statement of financial activities	626	(2,287)
	<u>2,761</u>	<u>2,135</u>
<b>Unlisted Equity Shares (2 Poplars Alzheimer's Lodge Limited)</b>		
Estimated market value at beginning and end of year	2	2
	<u>2,763</u>	<u>2,137</u>

### 14. CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Redundancy loan	-	17,166
Taxation and social security costs	9,681	2,525
Other creditors and accruals	9,524	11,536
	<u>19,205</u>	<u>31,227</u>

### 15. OPERATING LEASE COMMITMENTS

The following operating lease payments were committed to be paid within one year from the balance sheet date:

	30.9.21	30.9.20
	£	£
On leases expiring:		
Within one year	883	-
Within two to five years	-	1,766
	<u>883</u>	<u>1,766</u>

### 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General	Designated	Restricted	Total
	£	£	£	£
Tangible fixed assets	1,982	-	-	1,982
Cash at bank and in hand	145,005	5,000	96,358	246,363
Other net current assets	121,497	-	-	121,497
	<u>268,484</u>	<u>5,000</u>	<u>96,358</u>	<u>369,842</u>

# CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

### 17. STATEMENT OF FUNDS

	At beginning of year	Income	Expenditure	Investment Gains/ (Losses)	Transfers	At end of year
	£	£	£	£	£	£
<b>Unrestricted Funds:</b>						
General	442,644	34,652	201,242	626	(8,196)	268,484
Designated	5,000	-	-	-	-	5,000
<b>Total unrestricted funds</b>	<u>447,644</u>	<u>34,652</u>	<u>201,242</u>	<u>626</u>	<u>(8,196)</u>	<u>273,484</u>
<b>Restricted Funds:</b>						
Fusion cafe	4,094	400	636	-	-	3,858
Dementia Voices Stockton	36,316	1,000	26,679	-	14,987	25,624
Dementia Friendly Middlesbrough and Redcar & Cleveland	44,801	44,271	25,515	-	(6,119)	57,438
Dementia Friendly Stockton	1,851	-	14	-	-	1,837
Social engagement through music and dance	-	8,921	5,462	-	-	3,459
Dementia Bereavement Service	-	2,500	186	-	-	2,314
Reducing isolation and loneliness	-	2,500	-	-	(672)	1,828
<b>Total restricted funds</b>	<u>87,062</u>	<u>59,592</u>	<u>58,492</u>	<u>-</u>	<u>8,196</u>	<u>96,358</u>
<b>Total Funds</b>	<u>534,706</u>	<u>94,244</u>	<u>259,734</u>	<u>626</u>	<u>-</u>	<u>369,842</u>

#### Unrestricted Designated Fund

The above designated fund reflects a transfer from general funds of a £5,000 legacy from the estate of the former Chairman, Mr. J.R. Southall deceased.

#### Restricted Funds

**Fusion cafe** - this is a popular dementia cafe which has been running since February 2006. It is led by Clevearc, staffed by volunteers, and is a free service, funded by individual donations and fundraising. The cafe provides a supportive environment for people with dementia and their carers to attend a social occasion together, where the effects of their dementia are understood and accepted. The cafe is open on the last Friday of every month, staffed by 8 to 10 volunteers and attended by 35 to 45 customers.

**Dementia Voices Stockton** - this advocacy project was initially funded by Comic Relief, Ballinger Charitable Trust and Northern Rock Foundation for two years. Due to the success of the project the Ballinger Charitable Trust funded a further three year project incorporating additional services, including a Dementia Care Co-ordinator service. The project is the only service of this kind in the North of England and empowers people in Stockton-on-Tees to self-manage their health and care from diagnosis to living well with dementia.

**Dementia Friendly Middlesbrough and Redcar & Cleveland** - this project, which has operated since September 2015, received joint funding in April 2018 for one year from Middlesbrough and Redcar & Cleveland Borough Councils to employ a Dementia Friendly Communities Business Engagement Lead. The project aims to build on the success of the Dementia Friendly Middlesbrough project and also establish a new Dementia Friendly Community in the borough of Redcar & Cleveland. A dementia friendly community enables people living with dementia to remain active, meet with understanding and have the ability to live independently with support. Dementia friendly communities also support local businesses and organisations to make simple changes that will ensure their services are more accessible for their customers who are living with dementia or are carers.

**Dementia Friendly Stockton** - this project is financed by fundraising from small events and raises dementia awareness within the town, particularly during National Dementia Awareness Week in May each year.

**Social engagement through music and dance** - social engagement through music and physical activity, dancing, has been found to improve confidence, self-esteem and wellbeing for those living with dementia and their families and carers. Funding has been provided by Sport England's Your Active Living Fund and from Middlesbrough Matters to provide dance sessions in both Middlesbrough and Redcar & Cleveland.



**CLEVELAND ALZHEIMER'S RESIDENTIAL CENTRE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**17. STATEMENT OF FUNDS (Continued)**

**Dementia Bereavement Service** - Thirteen Community Fund and a local family business have provided funding for a bereavement service specifically for carers of people with dementia. Throughout the pandemic, carers have struggled with no support network whilst the person they cared for could not understand what was happening in their lives. Throughout the pandemic, there have been a disproportionate number of deaths amongst those who have dementia which has left carers bereaved. The aim is to improve the health and wellbeing of bereaved carers through creative participation and direct therapy to allow carers to express their emotions, find ways to cope with their grief and come to terms with their loss. A counsellor who already provided bereavement support for a local hospice will lead the sessions.

**Reducing isolation and loneliness** - Tees Valley Community Fund through their Better Together Fund have provided funding to help those living with dementia and their carers reconnect with the local community following the easing of lockdown restrictions by providing support, training and advice to carers.

**18. SUBSIDIARY UNDERTAKING AND RELATED PARTY TRANSACTIONS**

Cleveland Alzheimer's Residential Centre Limited is the parent company of Poplars Alzheimer's Lodge Limited.

(a) Balances due from the subsidiary company at the balance sheet dates were as follows:	<b>2021</b> £	2020 £
Loan account balance	<b>636,947</b>	636,947
<b>Less:</b> Impairment provision (see note 12)	<b>(500,000)</b>	(500,000)
	<b>136,947</b> =====	136,947 =====
 (b) Expenditure reimbursed to the subsidiary company during the year:		
Salaries, national insurance and employer's pension	-	20,304
Telephone	-	350
Printing, postage and stationery	-	700
Volunteer expenses	-	200
	=====	=====

Mr. H.A. Kitching is a trustee of Cleveland Alzheimer's Residential Centre Limited and had the following transactions with the charitable company during the year under review:

	<b>2021</b> £	2020 £
Balance due to Mr. H.A. Kitching at beginning of year	-	71,593
Interest charged	-	1,355
Loan repaid	-	(72,948)
	-----	-----
Balance due to Mr. H.A. Kitching at end of year	-	-
	=====	=====

The above loan was advanced on 1 April 2019, for a maximum period of two years, with interest at 4.5% per annum. The full balance, including accrued interest, was repaid on 26 February 2020.

Other than as referred to above, there were no transactions with related parties during the period under review or the previous period.

**19. TAXATION**

HM Revenue & Customs have approved the charitable status of Cleveland Alzheimer's Residential Centre Limited and its income is therefore exempt from tax, under Sections 505 and 506 of the Taxes Act 1988, provided that it is applied for charitable purposes only.