

Charity Registration No. 1152372

Company Registration No. 08462149 (England and Wales)

SWINNERTON TRUST LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

SWINNERTON TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J C N W Burr Dr A Kumar Mr D R Wilkinson Mrs C J Moir Mr P Whiteman Fr T Wintle	(Appointed 20 February 2020)
Charity number	1152372	
Company number	08462149	
Principal address	Manor Court Manor Court Road Nuneaton Warwickshire CV11 5HU	
Registered office	1 The Courtyard Goldsmith Way Eliot Park Nuneaton Warwickshire United Kingdom CV10 7RJ	
Independent examiner	Burgis & Bullock 1 The Courtyard Goldsmith Way Eliot Park Nuneaton Warwickshire United Kingdom CV10 7RJ	
Solicitors	Clarke Willmott LLP 138 Edmund Street Birmingham West Midlands B3 2ES	

SWINNERTON TRUST LIMITED

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SWINNERTON TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their report and financial statements for the year ended 31 March 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust's governing document, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).

Objectives and activities

The Trust's principal objective is the provision of care and residential accommodation for elderly persons, whilst delivering the highest quality of care, ensuring a comfortable and supported environment, where individuality, dignity and quality of life are paramount to residents.

Statement of Public Benefit

The trust has a massive advantage owning the freehold of Manor Court and consequently a high proportion of the income is devoted to providing care rather than paying property leases or funding debt or paying dividends to shareholders.

Residents are taken predominantly from the local community after their individual care needs have been assessed to ensure that their needs match what the Trust can provide, they may be either self-funding or alternately socially funded. On occasions a resident's own funds can fall below a threshold at which they become assessable for social funding. However, the care provided by the trust remains identical. In setting the objectives and planning activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and performance

The Trust's primary objective is the provision of care and residential accommodation for the elderly at Manor Court Care Home which was originally built in late Victorian times as a private residence for Reginald Stanley. He is credited with having been one of the "Four Georgians," gold prospectors who were instrumental in founding Helena the state capital of Montana USA. Reginald Stanley returned to Britain and with his brothers invested in a small brick and tile business in Nuneaton which they developed to become Stanley Bros which at one time became largest brick manufacturer in Europe.

SWINNERTON TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

The building was originally purchased by The Swinnerton Trust in 1952 and tastefully converted to a residential care home. The site itself extends to approximately two acres and is designated as a scheduled ancient monument, although no ancient structures remain visible above ground level. The site is also at the centre of the Abbey Conservation Area with grounds populated by mature trees which are themselves protected with tree preservation orders. The combined effect is to constrain any potential future development of the site, it is therefore considered that any scope for enlarging the existing building or redeveloping the site is severely limited. On the plus side these restrictions provide a very pleasant environment and an attractive place to live and work, whilst residents and their families have the opportunity to enjoy peace and tranquillity in the extensive grounds.

On 26th March 2013 a new company Swinnerton Trust Limited was incorporated with all assets of The Swinnerton Trust being transferred to it. The home has operated continuously since opening and an important objective of the Trust is to maintain that continuity of care, the ability to continue to provide high quality care to the residents in what becomes their home.

Since Manor Court Care Home first opened standards of care have changed dramatically to reflect the ageing population with ever increasing care needs and expectations, what is today considered as basic care would not so many years ago be identified as nursing care. These factors make staff training and retention an important priority of the Trust which is illustrated by the home's Care staff having an average of eleven years of service. Unlike many care homes Manor Court prides itself on never having to employ agency staff, periods of leave and absence are covered by the homes own experienced staff. The Home benefits substantially from a team of very loyal and dedicated staff, many are long serving employees with extensive experience, this continuity of care is greatly appreciated by the residents and families. The Trust is controlled by the board of Trustee/Directors who are all volunteers who meet quarterly and management committee that meets monthly when there is no board meeting that includes other volunteers along with the Home Manager and Treasurer who are both employees. Quarterly Management Accounts are generated for each board meeting where planned expenditure is considered against the current cash flow position. This provides more up to date information and greater flexibility than working to an annual budget. The Trust's major cost is the employment, training and retention of staff and to some extent staff levels are dictated by care needs, with a minimum safe level of staff required to operate the home irrespective of occupancy level. Therefore there is little scope to adjust staffing levels, to turn the wick up or down as occupancy changes, consequently occupancy is the key performance indicator and it is monitored on a monthly basis by the Management committee and quarterly by the Board. The home has only 23 bedrooms; this very small number makes for a very homely environment with staff knowing each resident individually, unlike larger more institutionalised homes where this is simply not possible.

During this year the home has focused on creating strong working relationships with health and social care professionals which has had a positive impact on occupancy with the home enjoying a 98% occupancy level. Revenue produced by this level of occupancy enables the Trust to invest in resident's facilities; continual investment in Manor Court's environment remains a high priority for the Trust.

The Trust recognises and supports the importance of engagement and stimulation for all residents, this said over the last 12 months the trust has supported the introduction of a focused activity co-ordinator role this has enable residents to create individualised activity plans which focus on their lifestyle and hobbies; this has had a positive impact on resident's mental wellbeing.

SWINNERTON TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

Coronavirus Pandemic

The outbreak of the Covid 19 Coronavirus Pandemic would prove to have a massive impact on care homes with the resident's age profile making them especially vulnerable to the virus. Manor Court Care Home enjoys several significant advantages over many other larger homes, with a maximum of 24 residents far fewer individuals are involved greatly reducing the risk of transmission. A policy of not employing agency care staff reduces the probability of infection being brought in from other care providers. Also prompt action prior to the Government imposed regulations by the Registered Manager on 15th March to lock down the home and exclude all but essential visitors whilst simultaneously ramping up infection control measures greatly improved the homes biosecurity.

External Audits

Environmental Health. The kitchen at Manor Court has for many years maintained a five star rating for food hygiene, reflecting the dedication of kitchen staff to maintaining the highest standards.

Fire safety. The home has not been subject to a fire service inspection visit this year but benefits from significant investment in previous years in state of the art automatic water mist fire suppression systems throughout the home including all roof spaces and modern fire and smoke detection systems. The personal safety of staff, residents and visitors is of paramount importance to the board.

Care Quality Commission. The home was subjected to an unannounced CQC inspection on 20th January 2020 and the overall outcome was that the service "Requires Improvement," with three of the five areas assessed being rated 'Good'.

Following inspection the Registered Manager created an action plan to address issues raised and initiated some immediate actions to make improvements.

Warwickshire Healthwatch. The latest report from Warwickshire Healthwatch related to a visit in March 2017 which was very complimentary of the home.

Warwickshire County Council Quality Team. The home continues to work in partnership with the local authority and as such remains on the Council's framework for providing socially funded places on a spot purchase basis, irrespective of source of funding be it private or socially funded all residents at Manor Court enjoy the same high standards of care. In line with the homes contractual obligations a quality assurance audit was undertaken in March 2019 with feedback being of a positive nature.

Financial. The home's accounts are independently examined each year by an external firm of Chartered Accountants.

Independent quality audit.

In addition to statutory inspections by the Care Quality Commission the Trust recognises that quality is paramount and arranges for quarterly quality audits to undertaken by an external advisor to monitor quality standards and care performance.

SWINNERTON TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

Resident's Meals

Resident's Meals are very important within a care home environment as residents simply don't have a choice of eating elsewhere, so the Trust aims to provide high quality meals with a choice of menu options, meals are cooked fresh daily on site. Wherever possible fresh ingredients are employed, meat is purchased from a national award winning local butchers, with meals served to residents in terrines, enabling them to enjoy as large or small a portion as they like whilst ensuring that their independence is maintained at all times. During the year the kitchens main cooking range was replaced which has given 100% reliability since installation.

Laundry

Laundry Manor Court operates its own on site laundry service utilising the latest technology industrial washing machines with automatic ozone injection for maximum infection control.

Resident's facilities

Each resident's bedroom is uniquely different and individually decorated; all benefit from en-suite toilet facilities with safety non-slip flooring and for maximum comfort includes a fully adjustable profiling bed.

Financial review

It is the policy of the Trustees to maintain free reserves at a level sufficient to cover large, unforeseen costs, which may be incurred to maintain the properties, cover reasonable operating costs and to ensure that the charity can run efficiently meeting the needs of the beneficiaries.

Free reserves are the unrestricted funds not committed or invested in tangible assets and as of 31st March 2020 amounted to £609,823 (2019: £524,010). These reserves are invested in accordance with the Trustees prudent investment policy. Total reserves amount to £1,504,674(2019: £1,391,947) which includes reserves that can only be realised by disposing of tangible fixed assets and investment properties.

Free reserves are retained in a number of cash investment accounts to give a reasonable yield, whilst at the same time minimising the level of investment risk.

Principal Funding Sources

Funding is predominantly derived from residents' fees either self-funding or alternately socially funded whilst the balance fluctuates. A new contract was agreed with Warwickshire County Council effective from August 2017 for a period four years with an option of a five year extension. The Board have welcomed recent increases in fees for socially funded residents. Additional funding is derived from Investment income, revenue from the Trust's properties and some contribution from donations. Originally established with a legacy from R W Swinnerton and grants, subsequent legacies have enabled the Trust to establish significant financial reserves which are held in a number of cash investment accounts to give a reasonable yield, whilst at the same time minimising the level of investment risk. Without the benefit of its secure financial position and resulting investment income it is unlikely that Manor Court would have survived.

SWINNERTON TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

Legal Advisor

The directors wish to express their gratitude to Clark Willmott LLP Solicitors and partner Mr John Irving for the pro bono work carried out for the benefit of the Trust, it is much appreciated.

Risk Assessment

The Trustees has assessed the major risks to which the Trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Principal risks & uncertainties & how to mitigate them

Fire Safety – following a Fire Safety inspection a complete review and Fire Risk Assessment was undertaken and the Board of Directors authorised the installation of an automatic water mist fire suppression system throughout the home including roof spaces and the fire alarm system was also upgraded to a higher standard. Emergency evacuation plans are in place and these are tested.

Staff Levels – staff levels are critical to a care home and the Trust employs a number of part time staff who can be called upon to undertake additional hours rather than engage agency staff. Consider when an elderly resident needs personal care, it is far better to have the known face of trusted carer attend rather than a complete stranger, which can be quite scary.

Infection Control- The home maintains comprehensive infection control procedures that are in-line with current best practice.

Business Continuity - a business continuity plan is maintained with contingency plans for many eventualities.

Occupancy – Many costs are fixed and a lower level occupancy does not mean significant savings can be made, there is limited scope to turn the wick up or down. The organisation is tuned to run at near maximum capacity and this is normally achieved as a result of the homes good reputation.

SWINNERTON TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

Structure, governance and management

Swinerton Trust Limited (the Trust) is governed by its Memorandum of Association dated 26 March 2013. The Trust is a charitable company, limited by guarantee having no share capital, as defined by the Companies Act 2006. The liability of the members is £10.

Date of incorporation:	26 March 2013
Registered company number:	08462149
Registered charity number:	1152372
Registered office:	1 The Courtyard Goldsmith Way Eliot Park Nuneaton Warwickshire CV10 7RJ

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

Mr J C N W Burr

Dr A Kumar

Mr D R Wilkinson

Mrs C J Moir

Mr P Whiteman

Fr T Wintle (Appointed 20 February 2020)

Any applications received in respect of potential new trustees are reviewed by the existing trustees and approved by the main board.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Key Management Personnel

The Key Management Personnel of the Trust are the Chairman, Mr Derek Wilkinson, and the Care Home Registered Manager Ms Kay Ward.

Policy on induction and training of Directors/Trustees

Traditionally trustees have been elected from the management committee; in the future the Trust may need to cast its net wider. A training course for Directors/Trustees has been introduced in 2018.

SWINNERTON TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

Payment of Trade Creditors

The Trust's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

The activities of the Trust are monitored by a Management Committee, which meets on a monthly basis and the board of Directors (who are also Trustees) that meets quarterly. Control of activities is thus monitored on a regular basis and the Chairman passes decisions agreed by the Directors to individuals who are responsible for the day-to-day management. Full information regarding the running of the home and all financial matters are provided to the Management Committee; all comments and recommendations being carefully considered by Directors.

Remuneration Policy

As the age profile of the nation changes with a growing number of elderly people with increasing care needs and expectations, care providers are facing a perfect storm of pressures to recruit and retain a workforce to meet these changes, including:-

- Higher skill standards and associated training costs to develop and maintain those skills.
- Blurring of the boundaries between care and nursing, many aspects of care today would have been considered nursing some years ago.
- Market forces, competition for the experienced workforce from other care providers.
- Our resident's best interests, keeping staff turnover to an absolute minimum to provide that all important continuity of care.
- Impact of the statutory living wage whilst maintaining pay differentials
- Workplace pensions.

The policy of the Trustees is to maintain a remuneration policy that enables the recruitment and retention of adequately qualified and experienced staff whilst balancing market pressures against the charities own ability to pay.

Additionally the Trust aims to be a good employer going beyond meeting minimum legal obligations to provide support or help when employees experience difficulties within the work environment or outside.

SWINNERTON TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

Volunteers

All the Directors/Trustees are volunteers as are the management committee members except for the Registered Manager and Treasurer.

Also, volunteers from the local community assist in the homes two major social events the summer Garden Fête and the Christmas Carol Concert; without the help of volunteers the trust would be unable to stage these events.

The Trust has also benefitted from a significant amount of work in the grounds of Manor Court by the Princes Trust and the local Community Payback Team this is greatly appreciated. This work has improved access to the grounds facilitating residents to spend more time enjoying the garden areas.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.

Mr D R Wilkinson

Trustee

Dated: 11 September 2020

SWINNERTON TRUST LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF SWINNERTON TRUST LIMITED

I report to the Trustees on my examination of the financial statements of Swinnerton Trust Limited (the Trust) for the year ended 31 March 2020.

Responsibilities and basis of report

As the Trustees of the Trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable 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 that in any material respect:

- 1 accounting records were not kept in respect of the Trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Wende Hubbard FCCA
Burgis & Bullock

1 The Courtyard
Goldsmith Way
Eliot Park
Nuneaton
Warwickshire
CV10 7RJ
United Kingdom

Dated: 11 September 2020

SWINNERTON TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

		Unrestricted funds 2020 £	Unrestricted funds 2019 £
	Notes		
<u>Income from:</u>			
Donations	3	6,268	2,605
<u>Charitable activities</u>			
Residential care	4	652,992	614,797
Investments	5	42,605	41,218
Total income		701,865	658,620
<u>Expenditure on:</u>			
Raising funds	6	5,454	3,886
<u>Charitable activities</u>			
Residential care costs	7	616,702	599,988
Total charitable expenditure		616,702	599,988
Total resources expended		622,156	603,874
Net income for the year/ Net movement in funds		79,709	54,746
Fund balances at 1 April 2019		1,391,947	1,337,201
Fund balances at 31 March 2020		1,471,656	1,391,947

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SWINNERTON TRUST LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11	539,853		545,957	
Investment properties	12	321,980		321,980	
		<u>861,833</u>		<u>867,937</u>	
Current assets					
Debtors	13	58,993		77,575	
Cash at bank and in hand		601,012		493,622	
		<u>660,005</u>		<u>571,197</u>	
Creditors: amounts falling due within one year	14	(50,182)		(47,187)	
Net current assets		<u>609,823</u>		<u>524,010</u>	
Total assets less current liabilities		<u>1,471,656</u>		<u>1,391,947</u>	
Income funds					
Unrestricted funds		1,471,656		1,391,947	
		<u>1,471,656</u>		<u>1,391,947</u>	

SWINNERTON TRUST LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020. The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, 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 company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Trustees on 11 September 2020

Mr D R Wilkinson
Trustee

Mr P Whiteman
Trustee

Company Registration No. 08462149

SWINNERTON TRUST LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	17		73,080		15,627
Investing activities					
Purchase of tangible fixed assets		(8,295)		(37,957)	
Interest received		42,605		41,218	
Net cash generated from investing activities			34,310		3,261
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			107,390		18,888
Cash and cash equivalents at beginning of year			493,622		474,734
Cash and cash equivalents at end of year			601,012		493,622

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

Swinnerton Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 1 The Courtyard, Goldsmith Way, Eliot Park, Nuneaton, Warwickshire, CV10 7RJ, United Kingdom.

1.1 Accounting convention

The accounts have been prepared in accordance with the Trust's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The Trust is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include freehold property at valuation. The principal accounting policies adopted are set out below.

1.2 Going concern

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

The Trustees have considered the impact of the current Covid-19 pandemic and do not consider there to be any significant issues which would affect the going concern status of the Trust in the next 12 months.

1.3 Charitable funds

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

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

Currently, the charity holds only unrestricted funds.

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the Trust has been notified of the donation, unless performance conditions require deferral of the amount.

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Residential income and rental income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets except freehold property, are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Freehold property was gifted from The Swinnerton Trust and was initially measured at valuation on 22 November 2013 and has subsequently been measured at valuation less depreciation, all subsequent property improvements have been included at cost.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% straight line
Property improvements	4% straight line
Fixtures, fittings & equipment	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.10 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and residents deposits are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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

1.13 Taxation

The charity is exempt from tax on its charitable activities.

2 Critical accounting estimates and judgements

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

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

3 Donations

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	6,268	2,605

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

4 Charitable activities

	Residential care 2020 £	Residential care 2019 £
Residential care	652,992	614,797

5 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Rental income	39,815	38,745
Interest receivable	2,790	2,473
	42,605	41,218

6 Raising funds

	2020 £	2019 £
Investment management	5,454	3,886
	5,454	3,886

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

7

Charitable activities

	Residential care costs 2020 £	Residential care costs 2019 £
Staff costs	421,585	401,270
Depreciation and impairment	14,399	12,752
Residents facilities	6,552	5,715
Provisions and consumable stores	30,009	31,280
Rates and water	1,916	1,724
Light and heat	24,899	23,052
Repairs and maintenance	36,404	33,035
Insurance	10,679	11,288
Cleaning and laundry	7,584	6,832
Licences and fees	3,986	5,515
Office sundries	6,232	9,115
Training and expenses	1,780	869
Utility hire	12,955	13,213
Garden	12,649	12,365
Residents entertainment	1,800	3,056
Staff expenses	1,566	1,052
Telephone	3,088	3,224
	<hr/>	<hr/>
	598,083	575,357
Share of support costs (see note 8)	15,473	21,738
Share of governance costs (see note 8)	3,146	2,893
	<hr/>	<hr/>
	616,702	599,988
	<hr/> <hr/>	<hr/> <hr/>

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

8 Support costs

	Support costs	Governance costs	2020	2019
	£	£	£	£
Staff costs	9,708	-	9,708	9,519
Telephone	-	-	-	358
Secretarial fees	1,380	-	1,380	1,376
Professional and HR costs	4,385	-	4,385	9,434
Insurance	-	-	-	1,051
Accountancy fees	-	3,146	3,146	2,893
	<u>15,473</u>	<u>3,146</u>	<u>18,619</u>	<u>24,631</u>
Analysed to Charitable activities	<u>15,473</u>	<u>3,146</u>	<u>18,619</u>	<u>24,631</u>

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year.

There were no Trustees expenses paid for the year ended 31 March 2020 nor for the year ended 31 March 2019.

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	29	30

Employment costs

	2020 £	2019 £
Wages and salaries	397,919	382,906
Social security costs	28,164	24,696
Other pension costs	5,210	3,187
	431,293	410,789

11 Tangible fixed assets

	Land and buildings £	Property improvements £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 April 2019	500,000	88,560	18,499	607,059
Additions	-	-	8,295	8,295
At 31 March 2020	500,000	88,560	26,794	615,354
Depreciation and impairment				
At 1 April 2019	40,000	7,734	13,367	61,101
Depreciation charged in the year	7,501	3,542	3,357	14,400
At 31 March 2020	47,501	11,276	16,724	75,501
Carrying amount				
At 31 March 2020	452,499	77,284	10,070	539,853
At 31 March 2019	459,999	80,826	5,132	545,957

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

11 Tangible fixed assets

(Continued)

The carrying value of land included in land and buildings is included at cost of £125,000, which is calculated as a 25% estimate of the total cost. The valuation does not provide a specific value of the land element however the directors believe that 25% is a reasonable estimate.

12 Investment property

2020

£

Fair value

At 1 April 2019 and 31 March 2020

321,980

Investment property included in the financial statements is a six flat converted coach house and thirty three garages located on the grounds of the freehold property; Manor Court Care Home, Manor Court Road, Nuneaton, Warwickshire, CV11 5HU.

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 21 November 2014 by Carpenter Chartered Surveyors, who are not connected with the Trust. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. The Trustees are happy that this valuation is still accurate at 31 March 2020.

13 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	41,617	64,338
Prepayments and accrued income	17,376	13,237
	<u>58,993</u>	<u>77,575</u>

14 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	-	4,468
Trade creditors	29,614	12,892
Other creditors	7,167	14,030
Accruals and deferred income	13,401	15,797
	<u>50,182</u>	<u>47,187</u>

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

15 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £5,210 (2019 - £3,187).

16 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	38,541	36,464

17 Cash generated from operations

	2020 £	2019 £
Surplus for the year	79,709	54,746
Adjustments for:		
Investment income recognised in statement of financial activities	(42,605)	(41,218)
Depreciation and impairment of tangible fixed assets	14,399	12,752
Movements in working capital:		
(Increase)/decrease in stocks	-	2,400
Decrease/(increase) in debtors	18,582	(19,786)
Increase in creditors	2,995	6,733
Cash generated from operations	73,080	15,627

18 Analysis of changes in net funds

The Trust had no debt during the year.