

Charity Registration No. 252624

Company Registration No. 0900504 (England and Wales)

**ALLANDALE CARE GROUP LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

# ALLANDALE CARE GROUP LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Board Of Trustees</b>	Prof. M Riley (Chairman) Mr E Smethurst Mr K Morris Mr R Hughes Mr L Spears Mr C Howell Ms J Hennessey Mrs L Pierce	(Appointed 16 December 2020) (Appointed 4 January 2021) (Appointed 24 March 2021)
<b>Secretary</b>	Mr P H R Crook	
<b>Deputy secretary</b>	Mrs P M Houghton	
<b>Charity number</b>	252624	
<b>Company number</b>	0900504	
<b>Housing Corporation number</b>	H0357	
<b>Registered office</b>	The Croft 94 Irby Road Heswall Wirral CH61 6XG	
<b>Website</b>	allandalecaregroup.com	
<b>Auditor</b>	Lonsdale & Marsh 7th Floor Cotton House Old Hall Street Liverpool L3 9TX	
<b>Bankers</b>	Lloyds Bank 137 Telegraph Road Heswall Wirral CH60 0AN	

---

# ALLANDALE CARE GROUP LIMITED

## CONTENTS

---

	<b>Page</b>
Trustees report	1 - 7
Independent auditor's report	8 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 22

---

# ALLANDALE CARE GROUP LIMITED

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 30 SEPTEMBER 2020

---

The Board of Trustees present their report and financial statements for the year ended 30 September 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's [governing document], 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) (effective 1 January 2019)".

#### Objectives and activities

The Society provides housing for the elderly. During most of the year in question the Society provided twenty-six units of accommodation.

Residential	Residential
The Croft 10	Heathermount 16

The occupation rate has been 89%.

#### Covid 19

The onset of Coronavirus generated a closure of the homes to all but truly essential visitors. The office staff worked from home from mid-March. The managers – led by the General Care Manager - steadfastly resisted intense bureaucratic pressure to accept residents back or new residents without negative tests. The guidance issued to the authorities to insist upon admissions was later withdrawn as flawed but the damage elsewhere had been done and many deaths resulted. It is no exaggeration to state that the actions of our managers saved lives.

It was initially disappointing to find that our usual suppliers failed to deliver and managers had to mount individual forays to secure food and other essentials. PPE was in short supply and was often only accessed by resorting to the likes of schools and personal contacts to source equipment.

It was only when schools were allowed to return in September that deaths were experienced and these were confined to Heathermount.

There are many stories of courage and determination to be told but it needs to be acknowledged that our residents and the Group owe an enormous debt to our staff under the leadership of Sherrel Sacker – General Care Manager. The Infection Control Procedures she set in hand have been deemed exemplary by CQC and the local authority. The Executive Committee members share credit as monitoring meetings were held weekly throughout the lockdown – only being relaxed in the brief hiatus in the autumn.

The legacy of Covid is an abundance of vacancies and disastrous impacts on cashflow.

#### The Croft

The House experienced an eventful year as can be seen from the preceding section. Development plans for the House are on hold but redecoration has been carried out and new furniture purchased.

#### Heathermount

Very sadly this house suffered a number of deaths – some arising from Covid. Vacancies have proved very difficult to fill. It is acknowledged that this is not purely a local issue. The number of deaths nationwide has damaged public confidence in residential care homes and it will take time to restore.

There has been both general and specific redecoration. A programme of refurbishment is ongoing.

#### General

Despite reduced income, the Houses have been kept in good general repair and decoration. The employment of a full time Maintenance Operative has continued to prove highly advantageous. There is an unsatisfactory national uncertainty as to the direction Social Care is to take. Parliamentary consideration has been postponed yet again.

# **ALLANDALE CARE GROUP LIMITED**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** **FOR THE YEAR ENDED 30 SEPTEMBER 2020**

---

### **Financial**

The onset of Covid has derailed the carefully monitored progress towards the eradication of the trading deficit. There had been a gradual but discernible improvement and the last reporting year showed a deficit of a much lower order. Without the sale of Allandale, it is unlikely that the Group could have survived. The Executive Committee takes the view that the Group does remain a going concern and will continue to provide a high-quality and much needed service to the community. It does however recognise that serious thought must be devoted to the shape and style of the business if decline is to be avoided.

### **Staff**

Ms S. Osborne was appointed as Registered Manager of The Croft in January 2021.

We have subscribed to numerous additional training events and continue to do so. Our responsibilities have greatly increased over the last few years [see Regulatory and other bodies below] and we shall need to assess carefully how best we can match those responsibilities.

We owe our staff a considerable debt for their commitment and diligence.

### **Volunteers**

We owe an equal debt to our volunteers both at Executive Committee and House level (Friends of Heathermount).

We like to think we also have happy and well-cared for residents, which ultimately is what matters.

### **Financial review**

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months expenditure. The Board of Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised.

### **Investment policy**

The Society has chosen to continue to minimise its financial risks by pursuing a prudent and conservative investment policy. Factors influencing the Society include the continuing uncertainty of financial markets and the need to have ready access to funds, should the need to deploy them in pursuing initiatives arise. For these reasons' funds are held in bank deposit accounts.

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

### **Risks**

The Group has continued to review its assessment of risks. For completeness, risks have been classified as including: Governance and Management, Operational Risk, Financial Risk, Environmental/External Factors, Compliance Risk [Law and Regulation]. All classifications have been, and continue to be addressed: significant activity has been undertaken towards the elimination, or at least, diminution of threats to the Society.

The greatest risks are: financial, precautions against abuse and matching our responsibilities.

Financial risk is self-explanatory: our outgoings [which include the Living Wage increases, pension contributions and higher utility costs] are prodigious which means our charges must more than meet our running costs: this may make us uncompetitive. It is more difficult to take precautions against vacancies arising and losses are incapable of prediction. The only means of countering financial problems is to maintain ample reserves.

# ALLANDALE CARE GROUP LIMITED

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

---

Meeting our responsibilities is more complex: a decade ago we admitted residents who principally needed a little help – maybe dressing, washing, reminding of medication times. Now we are dealing with residents in an advanced state of frailty or suffering from the onset of dementia. This has crept up on us and we are now alert to the more demanding situation and have adjusted our staffing needs and training accordingly, including making appointments of highly qualified managers.

'Abuse', elsewhere in the industry, has created an atmosphere of suspicion and of ever greater vigilance which in turn leads to increased demands upon us. CQC has introduced a more intrusive regime of inspection as a reaction to scandals that have featured in the national press. The term 'abuse' has itself become so broadly interpreted and thus reportable, that our staff have become vulnerable. Virtually any allegation of abuse requires reporting variously to: CQC, Local authority Safeguarding Teams and the Police, together with suspension of staff pending the outcome of investigation. Insurance companies – those that have not abandoned the industry altogether – usually exclude any claims arising therefrom. We have however with out Broker's assistance secured better cover.

We need to acknowledge that we are now in a highly demanding field of activity that: Imposes unprecedented responsibilities on our Trustees; exposes our staff to greater risk and obliges us to maintain higher levels of supervision to reduce risk of abuse – of any magnitude – and makes it necessary for us to seek to recruit higher quality well trained and motivated staff.

Infection Control has featured large this past year and we have met this risk by establishing stringent Infection Control Models that have been much admired.

We acknowledge these as significant challenges.

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

The charitable company was incorporated on 10 March 1967 and is governed by its Memorandum and Articles of Association. The name of the charitable company was changed on 14th October 2015 to Allandale Care Group Limited following termination of its membership of the Abbeyfield movement. The registered office, as from June 2005, remains The Croft, 94 Irby Road, Heswall, Wirral CH61 6XG.

The Board of Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Prof. M Riley (Chairman)

Mr E Smethurst

Mr K Morris

Mr R Hughes

Mr L Spears

Mrs C Condren

(Resigned 20 May 2020)

Mrs D Whitby

(Resigned 19 November 2020)

Miss M Davies

(Resigned 22 January 2021)

Mr T Hobbs

(Appointed 12 February 2020 and resigned 31 March 2021)

Mr C Howell

(Appointed 16 December 2020)

Ms J Hennessey

(Appointed 4 January 2021)

Mrs L Pierce

(Appointed 24 March 2021)

# ALLANDALE CARE GROUP LIMITED

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

---

Members of the Executive Committee are appointed under the company's Articles of Association [49 – 56] and one third retires each year but is eligible for reappointment. Additional members may also be appointed. Moreover the Executive Committee may at any time appoint replacement or additional members who serve until the following Annual General Meeting and are eligible for election/re-election at that meeting.

Currently [May 2021] the Executive Committee comprises:

<p>Mrs. G Colvin: President</p> <p>Professor M. Riley: Chairman Mr R Hughes: Vice Chairman Mr E Smethurst: Treasurer</p> <p>Mr. K Morris, Mr L Spears, Ms J Hennessey, Mr C Howell, Mrs L Pierce</p>
<p>The Directors retiring this year were: Mrs C Condon and Mrs D Whitby. Mrs Whitby was willing to be re-elected. She was re-elected unanimously.</p>
<p>Members appointed this year – Mr C Howell (16/12/2020) Ms J Hennessey (4/1/2021) Mrs L Pierce (24/3/2021)</p>

Our Trustee Indemnity Insurance was provided by the national Abbeyfield Society: since leaving we have negotiated fresh cover through the Townergate Group and this continues.

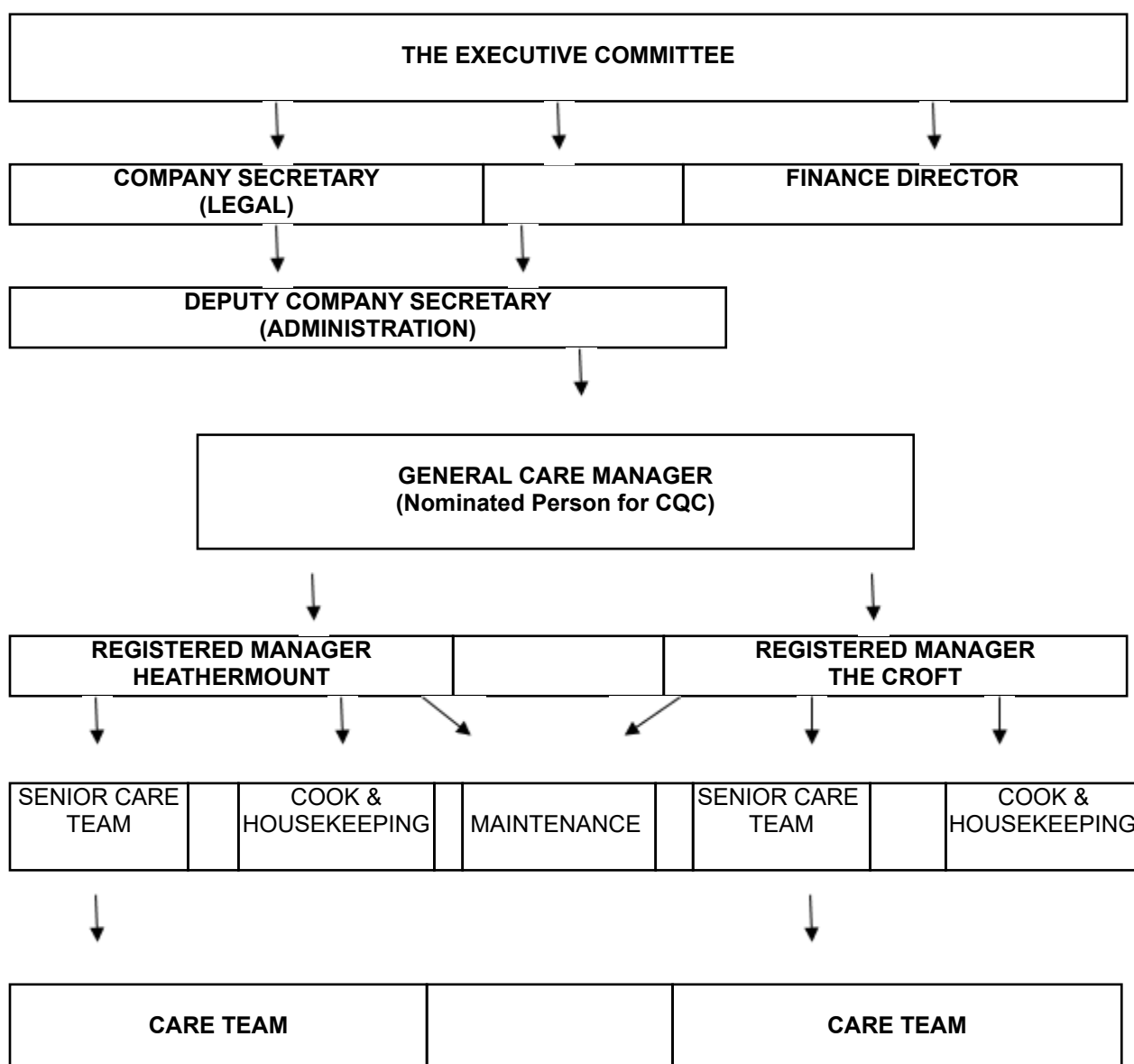
# ALLANDALE CARE GROUP LIMITED

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

The organisational structure is as follows:



### ALLANDALE CARE GROUP MANAGEMENT STRUCTURE 2020





# ALLANDALE CARE GROUP LIMITED

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 30 SEPTEMBER 2020*

---

### **Statement of Trustees responsibilities**

The Board of Trustees, who are also the directors of Allandale Care Group Limited for the purpose of company law, are responsible for preparing the Trustees 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 Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Board of Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditor**

A resolution for the re-appointment of Lonsdale and Marsh as auditors of the Charity will be proposed at the Annual General Meeting.

### **Professional advisers**

We instructed Messrs Halsall and Co for the property sale. For survey, valuation and sale purposes we consulted Messrs Legat Owen. For employment law issues we consult Messrs Hillyer McKeown and Messrs Ellis Whittam of Chester.

# ALLANDALE CARE GROUP LIMITED

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

---

### Regulatory and other bodies

**The Care Quality Commission ['CQC']** in the last inspections rated the Houses as 'Good'. The Group has been congratulated on its Infection Control Procedures and admitted to various pilot schemes.

### The Charity Commission and Companies Register

The society continues its registrations with both bodies and submits its accounts and replies to their annual requests for information promptly.

For continuing record purposes - outside the ambit of this financial year - the company changed its name to Allandale Care Group Limited [from 14th October 2015] and resigned from membership of the national Abbeyfield Society [from 6th December 2015]. The sale of Allandale was reported according to the prevailing legislation to the Charities Commission by the solicitor who had handled the sale. No acknowledgement has been received despite reminders.

**Homes England** is our general housing regulator: It is a moot point whether the registered houses need to continue to be registered with the agency although there are advantages still to be gleaned from being a registered social landlord [RSL]. Consequent upon the deficit disclosed in the Financial Accounts for the financial year ending 30th September 2017 the Regulator commenced a financial monitoring programme which terminated in June 2019 upon sale of Allandale. The sale was reported in accord with statutory requirement.

**Wirral Borough Council.** We continue our contractual relationship with the local authority and thereby submit to its audit and monitoring systems. We gain good marks and admission to various pilot schemes.

We have continued our association with other bodies. Our membership of the **ASC-WDS [Adult Social Care Workforce Data Set]** has not been especially beneficial financially as austerity measures have signified a great reduction and there has been no activity in the reporting year. It is however prudent to remain associated as the situation may change and in earlier years membership has been advantageous.

For the last nine years this report has contained the following statement: "The Society has continued its careful approach to reserves in that they largely comprise funds derived from sale of land. The view is that they should be preserved and disbursed to improve the Society's housing stock". The comment remains valid. At the date of composition [April 2021] the Executive continues to deliberate upon, and seek expert guidance as to, placement of the sale proceeds to the best advantage.

### Disclosure of information to auditor

Each of the Board of Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by the Board of Board Of Trustees.



**Prof. M Riley (Chairman)**

Dated: 5 May 2021

# ALLANDALE CARE GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF TRUSTEES OF ALLANDALE CARE GROUP LIMITED

---

#### Opinion

We have audited the financial statements of Allandale Care Group Limited (the 'Charity') for the year ended 30 September 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 30 September 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Board of Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# ALLANDALE CARE GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE BOARD OF TRUSTEES OF ALLANDALE CARE GROUP LIMITED

---

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within 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 the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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 Board of 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 Board of Trustees**

As explained more fully in the statement of Trustees responsibilities, the Board of Trustees, who are also the directors of the Charity for the purpose 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 Board of 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 Board of Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **ALLANDALE CARE GROUP LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE BOARD OF TRUSTEES OF ALLANDALE CARE GROUP LIMITED**

---

#### **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 auditors' 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.

**Elaine Frances McElroy (Senior Statutory Auditor)**  
**for and on behalf of Lonsdale & Marsh**

10 May 2021

**Chartered Accountants**  
**Statutory Auditor**

7th Floor  
Cotton House  
Old Hall Street  
Liverpool  
L3 9TX

# ALLANDALE CARE GROUP LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<b><u>Income and endowments from:</u></b>			
Donations and legacies	2	552	879
Charitable activities	3	916,970	953,440
Investments	4	3,360	1,357
Other income	5	28,719	170,924
<b>Total income</b>		<u>949,601</u>	<u>1,126,600</u>
<b><u>Expenditure on:</u></b>			
Charitable activities	6	<u>1,043,103</u>	<u>1,021,820</u>
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		(93,502)	104,780
Fund balances at 1 October 2019		<u>1,722,912</u>	<u>1,618,132</u>
<b>Fund balances at 30 September 2020</b>		<u><u>1,629,410</u></u>	<u><u>1,722,912</u></u>

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.

# ALLANDALE CARE GROUP LIMITED

## BALANCE SHEET

AS AT 30 SEPTEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	11		1,030,072		1,023,640
<b>Current assets</b>					
Debtors	12	13,322		9,634	
Cash at bank and in hand		881,034		991,461	
		<u>894,356</u>		<u>1,001,095</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(76,592)</u>		<u>(79,840)</u>	
Net current assets			817,764		921,255
<b>Total assets less current liabilities</b>			1,847,836		1,944,895
<b>Creditors: amounts falling due after more than one year</b>	14		(218,426)		(221,983)
<b>Net assets</b>			<u>1,629,410</u>		<u>1,722,912</u>
<b>Income funds</b>					
<u>Unrestricted funds - general</u>					
General unrestricted funds		1,478,702		1,572,204	
Revaluation reserve		<u>150,708</u>		<u>150,708</u>	
			1,629,410		1,722,912
			<u>1,629,410</u>		<u>1,722,912</u>

The financial statements were approved by the Board Of Trustees on 5 May 2021



Prof. M Riley (Chairman)  
Trustee

Mr E Smethurst  
Trustee



Company Registration No. 0900504

# ALLANDALE CARE GROUP LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	19		(95,847)		(49,257)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(17,940)		(19,012)	
Proceeds on disposal of tangible fixed assets		-		1,000,000	
Investment income received		3,360		1,357	
<b>Net cash (used in)/generated from investing activities</b>			(14,580)		982,345
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(110,427)		933,088
Cash and cash equivalents at beginning of year			991,461		58,373
<b>Cash and cash equivalents at end of year</b>			881,034		991,461



# ALLANDALE CARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

---

### 1 Accounting policies

#### Charity information

Allandale Care Group Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Croft, 94 Irby Road, Heswall, Wirral, CH61 6XG.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The Charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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

#### 1.3 Charitable funds

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

#### 1.4 Income

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

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

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

#### 1.5 Expenditure

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

Charitable activity costs relate to services provided centrally and identified as wholly or mainly in support of direct charitable expenditure, together with an appropriate proportion of management and office overheads.

# ALLANDALE CARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

---

### **1 Accounting policies**

**(Continued)**

Support costs are those functions that assist the work of the Charity but do not undertake charitable activities. Support costs include back office costs, finance, personnel and payroll. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs relating to statutory audit.

#### **1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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:

Freehold land and buildings	See below
Fixtures and fittings	15% on cost
Motor vehicles	25% on cost

Freehold land is not depreciated.

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.

It is the Charity's policy and practice to maintain properties to a high standard through a continuing programme of refurbishment and maintenance. Consequently the lives of the properties and their residual values are such that any depreciation charge would be immaterial.

A full year's depreciation is charged on fixed assets in the year of purchase but no charge is made in the year of disposal.

#### **1.7 Impairment of fixed assets**

At each reporting end date, the Charity 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).

#### **1.8 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **1.9 Financial instruments**

The Charity 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 Charity's balance sheet when the Charity 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.

# ALLANDALE CARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

---

### 1 Accounting policies

(Continued)

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

#### **Derecognition of financial liabilities**

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

#### **1.10 Employee benefits**

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

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

#### **1.11 Retirement benefits**

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

#### **1.12 Social housing grants**

Some of the Charity's housing schemes are financed partly by Social Housing or other capital grants. Section 24 of FRS 102 'Government grants' permits either the performance model or the accrual model to recognise government grants. As required by the Housing SORP (FRS102), housing properties accounted at valuation must recognise government grants using the performance model and those accounted for at cost must recognise government grants using the accrual model.

# ALLANDALE CARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 2 Donations and legacies

	<b>Unrestricted funds general 2020 £</b>	<b>Unrestricted funds general 2019 £</b>
Donations and gifts	552	879

### 3 Charitable activities

	<b>Charitable Income 2020 £</b>	<b>Charitable Income 2019 £</b>
Sales within charitable activities	913,413	949,883
Less: deferred income	3,557	3,557
	<u>916,970</u>	<u>953,440</u>

### 4 Investments

	<b>Unrestricted funds general 2020 £</b>	<b>Unrestricted funds general 2019 £</b>
Interest receivable	3,360	1,357

### 5 Other income

	<b>Unrestricted funds general 2020 £</b>	<b>Unrestricted funds general 2019 £</b>
Net gain on disposal of tangible fixed assets	-	170,924
WBC COVID-19 grants	28,719	-
	<u>28,719</u>	<u>170,924</u>

# ALLANDALE CARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 6 Charitable activities

	Charitable Expenditure 2020 £	Charitable Expenditure 2019 £
Staff costs	630,427	662,992
Depreciation and impairment	11,508	10,053
Charitable expenditure	215,416	192,785
	<u>857,351</u>	<u>865,830</u>
Share of support costs (see note 7)	179,872	150,230
Share of governance costs (see note 7)	5,880	5,760
	<u>1,043,103</u>	<u>1,021,820</u>

### 7 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Staff costs	149,827	-	149,827	126,275	-	126,275
Legal & professional fees	3,960	-	3,960	26,987	-	26,987
Health & safety consultancy	2,040	-	2,040	2,160	-	2,160
Payroll preparation	2,688	-	2,688	3,366	-	3,366
Auto enrolment fees	1,315	-	1,315	1,318	-	1,318
Consultancy fees	20,042	-	20,042	16,223	-	16,223
Audit fees	-	5,880	5,880	-	5,760	5,760
	<u>179,872</u>	<u>5,880</u>	<u>185,752</u>	<u>176,329</u>	<u>5,760</u>	<u>182,089</u>
Analysed between Charitable activities	<u>179,872</u>	<u>5,880</u>	<u>185,752</u>	<u>150,230</u>	<u>5,760</u>	<u>182,089</u>

### 8 Board Of Trustees

None of the Board of Trustees (or any persons connected with them) received any expenses from the Charity during the year. For details of remuneration see note 18.

# ALLANDALE CARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 9 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Care staff	36	37
Office staff	5	4
Total	41	41

#### Employment costs

	2020 £	2019 £
Wages and salaries	701,210	712,703
Social security costs	41,671	44,293
Other pension costs	37,373	32,271
	780,254	789,267

There were no employees whose annual remuneration was £60,000 or more.

### 10 Taxation

The charitable company has charitable status and therefore is exempt from corporation tax on the income it has received. The charitable company is not registered for VAT. Accordingly no VAT is charged to residents, and expenditure in the income and expenditure account includes the relevant VAT.

# ALLANDALE CARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 11 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 October 2019	990,667	69,788	-	1,060,455
Additions	10,046	3,394	4,500	17,940
At 30 September 2020	1,000,713	73,182	4,500	1,078,395
<b>Depreciation and impairment</b>				
At 1 October 2019	-	36,815	-	36,815
Depreciation charged in the year	-	10,571	937	11,508
At 30 September 2020	-	47,386	937	48,323
<b>Carrying amount</b>				
At 30 September 2020	1,000,713	25,796	3,563	1,030,072
At 30 September 2019	990,667	32,973	-	1,023,640

The Charity has taken advantage of deemed cost transitional relief. See accounting policy note 1.12 for further details.

### 12 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	11,851	9,320
Prepayments and accrued income	1,471	314
	13,322	9,634

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

	Notes	2020 £	2019 £
Other taxation and social security		2,367	10,647
Government grants	15	3,557	3,557
Trade creditors		43,483	51,676
Other creditors		12,674	142
Accruals and deferred income		14,511	13,818
		76,592	79,840

# ALLANDALE CARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 14 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Government grants	15	218,426	221,983

### 15 Government grants

Deferred income is included in the financial statements as follows:

	2020 £	2019 £
Current liabilities	3,557	3,557
Non-current liabilities	218,426	221,983
	<u>221,983</u>	<u>225,540</u>

### 16 Share capital

The company is limited by guarantee and has no share capital.

### 17 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	32,400	21,384

### 18 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel, who are also directors/trustees, is as follows.

	2020 £	2019 £
Consultancy fees	20,041	16,223



# ALLANDALE CARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

---

<b>19</b>	<b>Cash generated from operations</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	(Deficit)/surplus for the year	(93,502)	104,779
	Adjustments for:		
	Investment income recognised in statement of financial activities	(3,360)	(1,357)
	Gain on disposal of tangible fixed assets	-	(170,924)
	Depreciation and impairment of tangible fixed assets	11,508	10,053
	Movements in working capital:		
	(Increase)/decrease in debtors	(3,688)	4,849
	(Decrease)/increase in creditors	(3,248)	6,900
	(Decrease) in deferred income	(3,557)	(3,557)
	<b>Cash absorbed by operations</b>	<u>(95,847)</u>	<u>(49,257)</u>
<b>20</b>	<b>Analysis of changes in net funds</b>		
	The Charity had no debt during the year.		

---