

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 2019

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
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

CONTENTS

	Page
Trustees' report	1 - 6
Independent examiner's report	7
Statement of financial activities	8
Balance sheet	9 - 10
Statement of cash flows	11
Notes to the accounts	12 - 22

SWINNERTON TRUST LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2019

The Trustees present their report and financial statements for the year ended 31 March 2019.

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. 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 Reginal 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.

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.

SWINNERTON TRUST LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2019

Since Manor Court 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 not having a necessity to utilise agency care 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 maintaining occupancy and as a consequence has enjoyed an occupancy level of 96% throughout the year producing a level of revenue that has enabled the Trust to continue to upgrade the homes facilities. Investment in property maintenance and improvement continues to be a priority.

To further enhance the quality of life for our residents emphasis is now being placed on encouraging them to engage in meaningful individual and group activities based on their personal preferences. More projects are being planned to add to the existing programme of events.

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. In the previous year, state of the art automatic water mist fire suppression systems were installed throughout Manor Court including all roof spaces in response to issues raised in an earlier fire inspection. This year the homes fire detection and alarm systems have been upgraded again throughout Manor Court to a very high specification to provide further protection from the risk of fire. 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 in October 2018 and the outcome was that the service "Requires Improvement." This was not entirely surprising as whilst a new and very experienced Manager had been appointed at the end of April with their registration not completed by the CQC until September 2018, inevitably, at this time new procedures and systems were being introduced into the home by the Manager and these were still work in progress during the inspection. The initial day of inspection also coincided with the Manager's annual leave, nevertheless the CQC continued with their inspection, not an entirely ideal situation.

SWINNERTON TRUST LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2019

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.

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.

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 2019 amounted to £524,495 (2018: £494,469). These reserves are invested in accordance with the Trustees prudent investment policy. Total reserves amount to £1,392,432 (2018: £1,337,201) 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.

SWINNERTON TRUST LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2019

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.

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.

Structure, governance and management

Swinnerton 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

SWINNERTON TRUST LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2019

Mrs C J Moir

Mr P Whiteman

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.

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.

SWINNERTON TRUST LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2019

- 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.

Volunteers

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

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: 28 August 2019

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 2019.

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.

Sean Farnell
Burgis & Bullock

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

Dated: 28 August 2019

SWINNERTON TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
<u>Income from:</u>			
Donations	3	2,605	3,180
<u>Charitable activities</u>			
Residential care	4	614,797	503,628
Investments	5	41,218	41,723
Total income		658,620	548,531
<u>Expenditure on:</u>			
Raising funds	6	3,135	3,236
<u>Charitable activities</u>			
Residential care costs	7	600,739	540,892
Total charitable expenditure		600,739	540,892
Total resources expended		603,874	544,128
Net income for the year/ Net movement in funds		54,746	4,403
Fund balances at 1 April 2018			
As originally reported		1,337,201	1,311,465
Prior year adjustment		-	21,333
As restated at 1 April 2017		1,337,201	1,332,798
Fund balances at 31 March 2019		1,391,947	1,337,201

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 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	12	545,957		520,752	
Investment properties	13	321,980		321,980	
		<u>867,937</u>		<u>842,732</u>	
Current assets					
Stocks	15	-		2,400	
Debtors	16	77,575		57,789	
Cash at bank and in hand		493,622		474,734	
		<u>571,197</u>		<u>534,923</u>	
Creditors: amounts falling due within one year	17	(47,187)		(40,454)	
Net current assets		524,010		494,469	
Total assets less current liabilities		<u>1,391,947</u>		<u>1,337,201</u>	
Income funds					
Unrestricted funds		1,391,947		1,337,201	
		<u>1,391,947</u>		<u>1,337,201</u>	

SWINNERTON TRUST LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2019

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 2019. 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 28 August 2019

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 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		15,627		(65,758)
Investing activities					
Purchase of tangible fixed assets		(37,957)		(24,382)	
Purchase of investment property		-		(1,980)	
Interest received		41,218		41,723	
Net cash generated from investing activities			3,261		15,361
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			18,888		(50,397)
Cash and cash equivalents at beginning of year			474,734		525,131
Cash and cash equivalents at end of year			493,622		474,734

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

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.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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 Incoming resources

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.

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

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.5 Resources expended

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).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.9 Stocks

Stocks are stated at the lower of cost and estimated net realisable value. Cost comprises direct materials.

Net realisable value is the estimated recoverable amount.

1.10 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.

1.11 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.

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.12 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.

1.13 Retirement benefits

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

1.14 Leases

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

1.15 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
	2019	2018
	£	£
Donations and gifts	2,605	3,180

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

4 Charitable activities

	Residential care 2019 £	Residential care 2018 £
Residential care	614,797	503,628

5 Investments

	Unrestricted funds 2019 £	Unrestricted funds 2018 £
Rental income	38,745	39,786
Interest receivable	2,473	1,937
	41,218	41,723

6 Raising funds

	2019 £	2018 £
Investment management	3,135	3,236
	3,135	3,236

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

7

Charitable activities

	Residential care costs 2019 £	Residential care costs 2018 £
Staff costs	401,270	366,895
Depreciation and impairment	12,752	3,178
Residents facilities	5,715	5,769
Provisions and consumable stores	31,280	24,898
Rates and water	2,190	2,119
Light and heat	23,337	21,619
Repairs and maintenance	33,035	33,425
Insurance	11,288	10,106
Cleaning and laundry	6,832	6,755
Licences and fees	5,515	6,559
Office sundries	9,115	6,154
Training and expenses	869	473
Utility hire	13,213	10,656
Garden	12,365	10,587
Residents entertainment	3,056	3,740
Staff expenses	1,052	1,577
Telephone	3,224	2,565
	<hr/>	<hr/>
	576,108	517,075
Share of support costs (see note 8)	21,738	20,517
Share of governance costs (see note 8)	2,893	3,300
	<hr/>	<hr/>
	600,739	540,892
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SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

8 Support costs

	Support costs	Governance costs	2019	2018
	£	£	£	£
Staff costs	9,519	-	9,519	11,002
Telephone	358	-	358	285
Secretarial fees	1,376	-	1,376	1,252
Professional and HR costs	9,434	-	9,434	6,939
Insurance	1,051	-	1,051	1,039
Accountancy fees	-	2,893	2,893	3,300
	<u>21,738</u>	<u>2,893</u>	<u>24,631</u>	<u>23,817</u>
Analysed to Charitable activities	<u>21,738</u>	<u>2,893</u>	<u>24,631</u>	<u>23,817</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 2019 nor for the year ended 31 March 2018.

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Employees

Number of employees

The average monthly number of employees during the year was:

2019 Number	2018 Number
30	30
<u> </u>	<u> </u>

Employment costs

	2019 £	2018 £
Wages and salaries	382,906	359,351
Social security costs	24,696	17,561
Other pension costs	3,187	985
	<u>410,789</u>	<u>377,897</u>

11 Prior year adjustment

In the prior year there was a prior year adjustment of £21,333 this relates to the reclassification of Tangible assets as Investment properties.

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

12 Tangible fixed assets

	Land and buildings £	Property improvements £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 April 2018	500,000	51,608	17,493	569,101
Additions	-	36,952	1,005	37,957
At 31 March 2019	500,000	88,560	18,498	607,058
Depreciation and impairment				
At 1 April 2018	32,501	4,192	11,655	48,348
Depreciation charged in the year	7,500	3,542	1,711	12,753
At 31 March 2019	40,001	7,734	13,366	61,101
Carrying amount				
At 31 March 2019	459,999	80,826	5,132	545,957
At 31 March 2018	467,499	47,416	5,837	520,752

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.

13 Investment property

	2019 £
Fair value	
At 1 April 2018 and 31 March 2019	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 2019.

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

14	Financial instruments	2019	2018
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at cost, unamortised	64,338	42,256
	Instruments measured at fair value through profit or loss	321,980	321,980
		<u> </u>	<u> </u>
	Carrying amount of financial liabilities		
	Liabilities measured at cost, unamortised	42,719	40,454
		<u> </u>	<u> </u>
15	Stocks	2019	2018
		£	£
	Raw materials and consumables	-	2,400
		<u> </u>	<u> </u>
16	Debtors	2019	2018
		£	£
	Amounts falling due within one year:		
	Trade debtors	64,338	42,256
	Prepayments and accrued income	13,237	15,533
		<u> </u>	<u> </u>
		77,575	57,789
		<u> </u>	<u> </u>
17	Creditors: amounts falling due within one year	2019	2018
		£	£
	Other taxation and social security	4,468	-
	Trade creditors	12,892	15,028
	Other creditors	14,030	12,967
	Accruals and deferred income	15,797	12,459
		<u> </u>	<u> </u>
		47,187	40,454
		<u> </u>	<u> </u>

SWINNERTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

18 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 £3,187 (2018 - £985).

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2018 £
Aggregate compensation	32,556	27,985

20 Cash generated from operations

	2019 £	2018 £
Surplus for the year	54,746	4,403
Adjustments for:		
Investment income recognised in statement of financial activities	(41,218)	(41,723)
Depreciation and impairment of tangible fixed assets	12,752	3,178
Movements in working capital:		
Decrease in stocks	2,400	-
(Increase) in debtors	(19,786)	(30,787)
Increase/(decrease) in creditors	6,733	(829)
Cash generated from/(absorbed by) operations	15,627	(65,758)