

Guernsey Cheshire Home
(a company limited by guarantee
and not having a share capital)

Directors Report and
Unaudited Financial Statements
Year Ended 31 December 2023

Guernsey Cheshire Home
(a company limited by guarantee and not having a share capital)

Company Information

Directors	R G Shepherd K J Bellingham B R Duerden P R Ockleford M D Palfrey (appointed 17 January 2023)
Registered number	52310
Registered office	Shorncliffe Rohais St Peter Port Guernsey GY1 1FB
Accountants	Offshore Commercial Limited Fairbairn House Rohais St Peter Port Guernsey GY1 1FE

Guernsey Cheshire Home
(a company limited by guarantee and not having a share capital)

Table of Contents

	Page
Directors' Report	1 - 2
Chartered Accountants' Report	3
Statement of Income and Retained Earnings	4
Balance Sheet	5
Notes to the Financial Statements	6 - 9
Detailed Income and Expenditure Account	10

Guernsey Cheshire Home
(a company limited by guarantee and not having a share capital)

Directors' Report
For the Year Ended 31 December 2023

The directors present their report and the unaudited financial statements for the year ended 31 December 2023.

Directors' responsibilities statement

The directors are responsible for preparing the Directors Report and the unaudited financial statements in accordance with applicable law and generally accepted accounting practice.

Company law applicable to companies in Guernsey requires the directors to prepare unaudited financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these unaudited financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the unaudited financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the unaudited financial statements comply with the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the company is to provide residential accommodation (homes, hotels or, if appropriate, other residential accommodation including private homes, flats, apartments or rooms), day centres or help for the care, general well-being and, where possible, rehabilitation of any person who is, as a result of a physical disability or illness, in need of rehabilitation or help.

Dividends paid

There were no dividends paid in the year under review (2022: £nil).

Results

The Statement of Income and Retained Earnings for the year is set out on page 4.

Directors

The directors who served during the year were:

R G Shepherd
K J Bellingham
B R Duerden
P R Ockleford
M D Palfrey (appointed 17 January 2023)

Guernsey Cheshire Home
(a company limited by guarantee and not having a share capital)

Directors' Report (continued)
For the Year Ended 31 December 2023

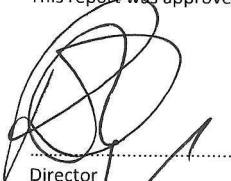
Unaudited status


A waiver resolution was unanimously passed by the members on 31 December 2012 which became effective under The Companies (Guernsey) Law, 2008 (Amendment) Ordinance, 2013, which came into force on 1 November 2013, that the Company shall be exempt for an indefinite period from any and all requirements under the Companies (Guernsey) Law, 2008, as amended, to have its accounts audited.

Going concern

The directors have considered the company's cash flows for the forthcoming accounting period and consider that it is appropriate that the company's financial statements should be prepared on a going concern basis.

This report was approved by the board and signed on its behalf.


.....
Director
Date:
21/3/24


.....
Director
Date:
21/3/24

Guernsey Cheshire Home
(a company limited by guarantee and not having a share capital)

**Accountants' Report to the Board of Directors on the Unaudited Financial Statements of Guernsey
Cheshire Home (a company limited by guarantee and not having a share capital)
For the Year Ended 31 December 2023**

In order to assist you to fulfil your duties under the Companies (Guernsey) Law, 2008, we have prepared the Financial Statements of Guernsey Cheshire Home (the 'Company') for the year ended 31 December 2023 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants of England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed on their website at icaew.com/membershandbook.

This report is made solely to the board of directors of Guernsey Cheshire Home, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the Financial Statements of the Company, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that the Company has kept adequate accounting records and to prepare Financial Statements that give a true and fair view of the assets, liabilities, financial position and total comprehensive income of the Company. You consider that the Company is exempt from the statutory audit requirement for the year ended 31 December 2023.

We have not been instructed to carry out an audit or a review of the Financial Statements of the Company. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory Financial Statements.

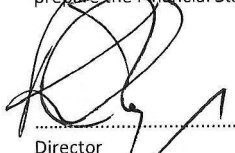


Offshore Commercial Limited
Fairbairn House
Rohais
St Peter Port
Guernsey
GY1 1FE

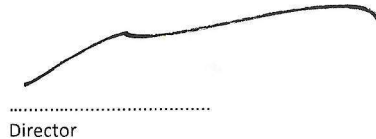
Date: 21/3/24

Directors' Declaration

We hereby confirm on behalf of the Board that we have provided Offshore Commercial Limited with all the books and records of the business and given them all the information and explanations that they have required in order to prepare the Financial Statements of the Company for the year ended 31 December 2023.


.....
Director

Date: 21/3/24


.....
Director

Date: 21/3/24

Guernsey Cheshire Home
(a company limited by guarantee and not having a share capital)

Statement of Income and Retained Earnings
For the Year Ended 31 December 2023

	2023 £	2022 £
Shorncliffe income	854,476	744,912
Donations and fundraising	496,726	250,570
Lottery income	182,937	167,290
Investment income	15,851	3,142
	<u>1,549,990</u>	<u>1,165,914</u>
Shorncliffe expenditure	(1,367,161)	(1,214,108)
Charity expenditure	(5,681)	(3,734)
Lottery expenditure	(77,212)	(88,389)
Gain/(loss) on investments held at fair value	3,519	2,819
Surplus/(Deficit) for the financial year	<u>103,455</u>	<u>(137,498)</u>
Members' funds at the beginning of the year	1,738,844	1,876,342
Surplus/(Deficit) for the financial year	103,455	(137,498)
Members' funds at the end of the year	<u>1,842,299</u>	<u>1,738,844</u>

There were no recognised gains or losses for the year other than those included in the Statement of Income and Retained Earnings.

The results stated above derive wholly from continuing activities.

The notes on pages 6 to 9 form part of these financial statements.

Guernsey Cheshire Home
(a company limited by guarantee and not having a share capital)

Balance Sheet
As at 31 December 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	4	<u>1,237,344</u>	<u>1,211,463</u>
		1,237,344	1,211,463
Current assets			
Debtors	5	6,254	5,785
Short-term investments		606,978	252,835
Bank and cash balances		103,570	413,532
		<u>716,802</u>	<u>672,152</u>
Creditors: amounts falling due within one year	6	<u>(111,847)</u>	<u>(144,771)</u>
Net current assets		604,955	527,381
Net assets		<u><u>1,842,299</u></u>	<u><u>1,738,844</u></u>
Reserves			
Members' funds		1,842,299	1,738,844
		<u><u>1,842,299</u></u>	<u><u>1,738,844</u></u>

The Financial Statements were approved and authorised by the board and were signed on its behalf by:

.....
Director

Date: 21/3/24

.....
Director

Date: 21/3/24

The notes on pages 6 to 9 form part of these financial statements.

Guernsey Cheshire Home
(a company limited by guarantee and not having a share capital)

Notes to the Financial Statements
For the Year Ended 31 December 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies (Guernsey) Law, 2008.

Guernsey Cheshire Home meets the definition of a public benefit entity under FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

The following principal accounting policies have been applied:

1.2 Income recognition

Donations and fundraising income and income from residents, respite and day visitors, investment income and bank interest are recognised in the financial statements on an accrual basis. A presentation adjustment has been made in these financial statements to the results for 2022 to reclassify £2,144 previously shown within the gain on investments at fair value to interest income. There has been no change in the reported deficit for 2022 as a result of this adjustment.

1.3 Expenditure recognition

Expenditure is recognised on an accruals basis.

1.4 Going concern

The directors have considered the company's cash flows for the forthcoming accounting period and consider that it is appropriate that the company's financial statements should be prepared on a going concern basis.

1.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

No depreciation is charged on the property but any and all repairs and maintenance costs are written off in the year incurred. The directors consider Shorncliffe is maintained in such a high state of repair that its residual value is at least equal to its carrying value. As a result the corresponding depreciable amount would not be material and therefore no depreciation expense is charged in the Statement of Income and Retained Earnings.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Motor Vehicles	-	25%
Equipment	-	25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and Retained Earnings.

Guernsey Cheshire Home
(a company limited by guarantee and not having a share capital)

Notes to the Financial Statements
For the Year Ended 31 December 2023

1. Accounting policies (continued)

1.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

1.7 Short-term investments

Short-term investments consist of bank certificates of deposit with an initial term of more than three months which cannot be withdrawn before maturity without penalty.

1.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.9 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However; if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

1.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Guernsey Cheshire Home
(a company limited by guarantee and not having a share capital)

Notes to the Financial Statements
For the Year Ended 31 December 2023

2. Taxation

The company has been approved as a charitable entity by the States of Guernsey Revenue Service and is therefore exempt from Guernsey Income Tax.

3. Employees

The average number of employees during the year was 37 (2022: 35).

4. Tangible assets

	Shorncliffe property £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 January 2023	1,361,863	30,726	36,322	1,428,911
Additions	-	20,000	14,188	34,188
Transfers	-	(7,754)	7,754	-
At 31 December 2023	<u>1,361,863</u>	<u>42,972</u>	<u>58,264</u>	<u>1,463,099</u>
Depreciation				
At 1 January 2023	161,863	20,349	35,236	217,448
Depreciation charge for the year	-	3,041	5,266	8,307
At 31 December 2023	<u>161,863</u>	<u>23,390</u>	<u>40,502</u>	<u>225,755</u>
Net book value				
At 31 December 2023	<u>1,200,000</u>	<u>19,582</u>	<u>17,762</u>	<u>1,237,344</u>
At 31 December 2022	<u>1,200,000</u>	<u>10,377</u>	<u>1,086</u>	<u>1,211,463</u>

5. Debtors

	2023 £	2022 £
Accounts receivable	313	194
Salary advances	-	400
Support group debtor	185	129
Resident debtor	1,137	1,137
Prepayments	4,619	3,925
	<u>6,254</u>	<u>5,785</u>

Guernsey Cheshire Home
(a company limited by guarantee and not having a share capital)

Notes to the Financial Statements
For the Year Ended 31 December 2023

6. Creditors : Amounts falling due within one year

	2023	2022
	£	£
Accounts payable	6,638	9,754
Income tax accrual	35,776	32,097
Social Security accrual	36,413	30,668
Salary accruals	930	252
Accruals	2,090	-
Lottery creditors	30,000	72,000
	<u>111,847</u>	<u>144,771</u>

7. Endowment Fund

In July 2002, as a result of an application pursuant to Section 54 of The Trust (Guernsey) Law, 1989, as amended, the company received certain assets to be held as an Endowment Fund. It has been agreed by the parties that the assets are not available to the company to meet running costs or other expenditure incurred, but the income can be used as contribution to company income. The assets comprising the Endowment Fund are held with Ravenscroft Limited with a market value of £218,225 (2022: £207,278).

8. Limitation of guarantee

The liability of each member of the company is limited to the extent that they have undertaken to contribute to the assets of the company, if it should be wound up, an amount limited to and not exceeding £1 per member.

At 31 December 2023 the company had 5 members. The company's Memorandum of Association stipulates that the number of members shall not exceed 10.

9. Controlling party

There is deemed to be no controlling party as defined by FRS 102 as no party has the ability to direct financial and operating policies of the company with a view of gaining economic benefit from their direction.

Guernsey Cheshire Home
(a company limited by guarantee and not having a share capital)

Detailed profit and loss account
For the Year Ended 31 December 2023

	2023	2022
	£	£
Donations and fund raising	1,351,202	995,482
Lottery income	182,937	167,290
Investment income	15,851	3,142
Total income	<u>1,549,990</u>	<u>1,165,914</u>
Shornccliffe expenditure		
Salaries and Social Security	1,081,259	983,919
Premises expenses	81,394	86,004
Household and food	49,880	40,618
Resident allowance, day care and medical	42,879	18,977
Office expenses	5,289	7,269
Professional services	20,032	17,349
Motor vehicle expenses	3,245	4,874
Sundry expenses	5,472	5,378
Depreciation	8,307	7,389
Fund raising expenses	18,881	3,554
Insurance	23,486	19,110
Marketing	32,718	23,401
	<u>1,372,842</u>	<u>1,217,842</u>
Lottery expenditure		
Cost of holiday prizes	60,000	70,726
Administration costs	17,212	17,663
	<u>77,212</u>	<u>88,389</u>
Gain/(loss) on investments held at fair value		
Investment revaluation	3,519	2,819
	<u>3,519</u>	<u>2,819</u>
Surplus/(Deficit) for the financial year	<u>103,455</u>	<u>(137,498)</u>