

CORNERSTONE TRUST

**AN UNINCORPORATED REGISTERED
CHARITY NO: 1003948**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

CORNERSTONE TRUST

AN UNINCORPORATED REGISTERED CHARITY NO: 1003948

CONTENTS OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

	Page
Charity Information	1
Trustees' Report	2
Independent Examiners' Report	3
Accounting Policies	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7

CORNERSTONE TRUST**AN UNINCORPORATED REGISTERED CHARITY NO: 1003948****CHARITY INFORMATION****FOR THE YEAR ENDED 31 MARCH 2021****TRUSTEES:**

E Taylor
R Baxter
R Ametepe

BUSINESS ADDRESS:

132 Thicketford Road
Bolton
BL2 2LU

INDEPENDENT EXAMINER:

Mr J C Hargraves
DonnellyBentley Limited
Chartered Accountants
Hazlemere
70 Chorley New Road
Bolton
BL1 4BY

BANKERS:

HSBC Bank plc
Blackburn Road
Bolton

SOLICITORS:

Russell & Russell
21 Lee Lane
Horwich
Bolton
BL6 7BP

CORNERSTONE TRUST

AN UNINCORPORATED REGISTERED CHARITY NO: 1003948

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cornerstone Trust is constituted under a trust deed and is a registered charity number 1003948. The Trust is non-profit making and its Trustees are volunteers.

The trustees who have served in the year and since the year end are set out on page 1. The trustees are volunteers who offer a wide range of attributes to the trust. They have the power to appoint new trustees and make any major investment decisions. The trustees shall hold meetings in such a place deemed appropriate at least once a year, whereby decisions are voted upon. The trust employs a Residential Services Manager and Deputy, and two Team Leaders.

As part of their induction, new trustees are provided with information about the charity, the management structure, its history and working policies. In addition, they are also provided with information from the Charity Commission regarding the duties and responsibilities of trustees.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the charity are to provide a Christian response to the needs of people with learning disabilities and people with challenging behaviours. The trust also attempts to advance Christian religion and education generally. Since the beginning of its work, the trust has focused more particularly on the needs of people with learning difficulties including those with an autism spectrum condition.

We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

ACHIVEMENTS AND PERFORMANCE

The Cornerstone Trust has been working in Bolton for over a quarter of a century providing residential services for people with autism and learning disabilities. During the past financial year from 1 April 2020 to 31 March 2021 we have maintained a high quality service which has been validated in official reports from CQC and the Quality Monitoring undertaken by Bolton MBC.

After 27 years of providing residential and occasional day care services in Bolton from Thicketford Place in Tonge Moor we are sad to report the scheduled closure of our existing facility on 30 June 2021.

The Cornerstone Trust has continuously provided high quality care within a secure Christian homely setting for adults with Autism and Severe Learning Disabilities. During the past two years however, the Covid-19 pandemic has seriously impacted our ability to recruit new people to fill our existing vacancies. This has resulted in severe financial constraints and with our reserves diminishing by the day we are no longer in a position to maintain our residential care home in Bolton.

CORNERSTONE TRUST**AN UNINCORPORATED REGISTERED CHARITY NO: 1003948****REPORT OF THE TRUSTEES (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****ACHIVEMENTS AND PERFORMANCE (Continued)**

The Trustees and Senior Managers have sought to develop alternative arrangements for the people in our care working in partnership with the Bolton Commissioning Team. Plans, utilising a Supported Living model are currently being finalised for two people. A third resident now requires nursing care. Furthermore, helping to secure appropriate employment for our staff team during a complex redundancy procedure, has also been a top priority for the trustees.

Hopefully, in the future Cornerstone Trust will continue to operate in some capacity but within a changed organisational framework. The existing Trustees are committed to developing the work in a different direction in accordance with Gods providence and sovereign purpose.

Throughout the financial year we have been impacted by the constraints imposed by the COVID-19 pandemic. We are grateful to God for answers to prayer during lockdown and continue to pray that we will be kept safe from the virus. During this stressful time we have been well supported by Bolton Council and our local NHS professionals.

As a trust we continue to appreciate the hard work and professionalism of our staff team, Managers and Administrator. The dedication and commitment of our trustees is also worthy of recognition. All this helps to ensure a good quality of life for the people who we care for.

Further details about the services of The Cornerstone Trust can be found on the Charity internet site at www.thecornerstonetrust.org.

INVESTMENT POLICY

There are no restrictions on the trust's power to invest. The investment strategy is set by the trustees and is to invest any funds of the trust in any investment authorised by law for the investment of trust property or any investments which may be deemed advisable.

FINANCIAL REVIEW

The deficit for the year was	(£14,808)
To which is added the surplus brought forward	<u>£237,073</u>
Leaving a surplus carried forward of	<u>£222,265</u>

TRUSTEES

The Trustees who served during the year are listed below:

31 March 2021

E Taylor
R Baxter
R Ametepe

31 March 2020

E Taylor
R Baxter
R Ametepe

TAXATION

Exemption to taxation is being granted by the Inland Revenue under the provisions of section 505 of the Income and Corporation Taxes Act 1988.

CORNERSTONE TRUST**AN UNINCORPORATED REGISTERED CHARITY NO: 1003948****REPORT OF THE TRUSTEES (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****RESERVES POLICY**

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity, at a level which equates to approximately twelve months unrestricted expenditure. This provides sufficient fund to cover management, administration and support costs and allows the charity to react to changes in funding in a constructive manner. Any reserve generated over and above the equivalent of twelve months unrestricted expenditure would be expeditiously reinvested in activity which supports the objects of the charity.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees 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).

The law applicable to charities in England & Wales requires the 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 of the charity for that period. In preparing these financial statements the 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper 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 Charities Act 2011, the Charity (Accounts Reports) Regulations 2008 and trust deed. 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT EXAMINER

A resolution will be proposed at the Annual General Meeting to reappoint Mr J C Hargraves of DonnellyBentley Chartered Accountants, as independent examiner to the Charity.

APPROVED BY THE TRUSTEES AND SIGNED ON BEHALF OF THE TRUSTEES BY:



.....
R Ametepel - Trustee

Date: 27.07.2021
.....

CORNERSTONE TRUST**AN UNINCORPORATED REGISTERED CHARITY NO: 1003948****INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CORNERSTONE TRUST****FOR THE YEAR ENDED 31 MARCH 2021**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 4 to 7.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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

J C Hargraves (Hons) FCA
DonnellyBentley Limited
Chartered Accountants
Hazlemere
70 Chorley New Road
Bolton
BL1 4BY



Date: 27/7/21

CORNERSTONE TRUST

AN UNINCORPORATED REGISTERED CHARITY NO: 1003948

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2021

GENERAL INFORMATION AND BASIS OF PREPARATION

Cornerstone Trust is an unincorporated registered charity in England and Wales. The business address is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are the provision of residential and domiciliary care for adults with learning difficulties in Bolton.

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

The financial statements have been prepared to give a 'true and fair' view.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £000.

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

GOING CONCERN

The trustees have reviewed the circumstances of Cornerstone Trust and consider that adequate resources continue to be available to fund the activities of the Charity for the foreseeable future. The Trustees are of the opinion that the Charity is a going concern.

FUND ACCOUNTING

Unrestricted funds represent the accumulated funds of the charity that are not subject to any restrictions regarding their use, and are available in the furtherance of the general objectives of the charity.

Restricted funds are funds subject to specific restrictive conditions imposed by the funders. At present, the Charity has no restricted funds.

Designated funds are designated by the Trustees for particular purposes, and are also unrestricted, as these monies can be re-assigned by the Trustees if so required. At present, the company has no designated funds.

INCOMING RESOURCES

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Income includes grants in respect of revenue and capital items.

CORNERSTONE TRUST

AN UNINCORPORATED REGISTERED CHARITY NO: 1003948

ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

RESOURCES EXPENDED

Expenditure is recognised on an accrual basis as a liability is incurred.

- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

INVESTMENT INCOME

Investment income is accounted for in the period in which the charity is entitled to receipt.

GRANT INCOME

Grant income is accounted for in the period in which the charity is entitled to receipt.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Depreciation is provided at rates calculated to write-off the cost or valuation less residual value of each asset over its expected useful life, as follows:

Long leasehold property	Nil
Fixtures, fittings and equipment	20%/25% straight line
Computer equipment	25% straight line
Motor vehicles	25% reducing balance

TAXATION

No provision has been made for taxation as exemption from taxation is being granted by the Inland Revenue under the provisions of Section 505 of the Income and Corporation Taxes Act 1988.

VAT ACCOUNTING

The Charity is not liable to be registered for VAT. Irrecoverable VAT on expenditure is not analysed separately but attributed to the category of expenditure on which it is incurred.

PENSION COSTS

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they became payable.

CASH FLOW STATEMENT

The Trustees have elected to take advantage of the exemption under Update Bulletin 1 of the Charities SORP (FRS 102) not to prepare a cash flow statement.

CORNERSTONE TRUST**AN UNINCORPORATED REGISTERED CHARITY NO: 1003948****ACCOUNTING POLICIES (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of these financial statements require certain judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

DEBTORS

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

CASH AT BANK AND IN HAND

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

CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

CORNERSTONE TRUST**AN UNINCORPORATED REGISTERED CHARITY NO: 1003948****STATEMENT OF FINANCIAL ACTIVITIES****FOR THE YEAR ENDED 31 MARCH 2021**

	Unrestricted		
	Funds	Total	Total
	2021	2021	2020
Notes	£	£	£
INCOME AND ENDOWMENTS:			
<i>Charitable activities:</i>			
BMBC contract income - residential care	269,500	269,500	318,379
Residents' mobility income	6,405	6,405	9,967
Investments – bank interest received	59	59	259
Donations	135	135	1,000
Infection control grant	6,170	6,170	-
Employment grant	-	-	500
Total Income	282,269	282,269	330,105
EXPENDITURE			
Charitable activities	1 (297,653)	(297,653)	(308,136)
Total Expenditure	(297,653)	(297,653)	(308,136)
Net (expenditure)/income and net movement in funds	(15,384)	(15,384)	21,969
Total funds brought forward	237,073	237,073	215,104
Total funds carried forward	221,689	221,689	237,073


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

All activities relate to continuing operations.

CORNERSTONE TRUST**AN UNINCORPORATED REGISTERED CHARITY NO: 1003948****BALANCE SHEET****AS AT 31 MARCH 2021**

	Notes	£	2021	£	£	2020	£
Fixed assets							
Tangible assets	2			74,242			78,434
Current assets							
Debtors	3	2,305			18,816		
Cash at bank and in hand		<u>165,787</u>			<u>148,762</u>		
		168,092			167,578		
Creditors: amounts falling due within one year	4	<u>20,645</u>			<u>8,939</u>		
Net current assets				<u>147,447</u>			<u>158,639</u>
Total assets less current liabilities				<u>221,689</u>			<u>237,073</u>
Funds:							
Unrestricted fund – general purposes fund				<u>221,689</u>			<u>237,073</u>

The financial statements on pages 4 to 7.2 were approved by the trustees and signed on their behalf by:-



 R Ametepe - Trustee

Date: 27.07.2021

CORNERSTONE TRUST

AN UNINCORPORATED REGISTERED CHARITY NO: 1003948

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. CHARITABLE ACTIVITIES

	2021	2020
	£	£
<i>SUPPORT COSTS:</i>		
Residents' mobility	2,758	5,825
Trustee expenses	-	102
Food	10,546	11,549
Medical expenses	3,193	1,724
Rent and rates	710	689
Insurance	3,196	2,297
Heat, light and water	5,147	5,802
Home repairs and renewals	6,119	8,612
Cleaning and waste disposal	4,399	5,178
Health and safety expenses	347	2,938
	<u>36,415</u>	<u>44,716</u>
Staff costs (see below)	<u>245,652</u>	<u>247,959</u>
	<u>282,067</u>	<u>292,675</u>
<i>GOVERNANCE COSTS:</i>	£	£
Printing, post and stationery	1,213	517
Telephone and internet	2,405	2,296
Accountancy	2,702	2,665
Sundry expenses	568	335
Registration fee	163	816
Depreciation of fixtures, fittings and equipment	1,772	1,964
Depreciation of motor vehicles	3,645	3,837
Depreciation of computer equipment	900	1,280
Payroll preparation	599	608
Software costs	158	96
Home management	1,461	1,047
	<u>15,586</u>	<u>15,461</u>
TOTAL CHARITABLE EXPENSES	<u>297,653</u>	<u>308,136</u>
<i>STAFF COSTS:</i>	£	£
Salaries – care workers	169,711	169,583
Social Security costs – care workers	7,328	7,295
Salaries – management	56,254	56,150
Social Security costs – management	3,940	4,261
Staff agency costs	1,805	3,750
Staff pension costs (defined contribution scheme)	4,658	3,954
Human resource expenses	1,080	1,080
Staff training and expenses	876	1,886
	<u>245,652</u>	<u>247,959</u>

CORNERSTONE TRUST**AN UNINCORPORATED REGISTERED CHARITY NO: 1003948****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****1. CHARITABLE ACTIVITIES (Continued)**

The average weekly number of employees during the year, calculated on a headcount basis, was:

	2021	2020
	<u>18</u>	<u>17</u>

No employee received remuneration amounting to more than £60,000 in either year.

Trustees received no remuneration (2020: nil) and no reimbursement for expenses in the year (2020: £102). Expenses consisted mostly of telephone costs.

2. INDEPENDENT EXAMINERS' REMUNERATION

	2021	2020
	£	£
Independent examination fee	1,740	1,722
Payroll preparation fees	552	462
Other services	120	120
	<u>2,412</u>	<u>2,304</u>

3. TANGIBLE FIXED ASSETS

	Long Leasehold Property	Fixtures, Fittings and Equipment	Motor Vehicles	Computer Equipment	Totals
	£	£	£	£	£
COST					
At 1 April 2020	56,648	17,081	18,415	14,120	106,264
Additions	-	895	-	1,228	2,123
Disposals	-	-	-	(8,602)	(8,602)
At 31 March 2021	<u>56,648</u>	<u>17,976</u>	<u>18,415</u>	<u>6,746</u>	<u>99,785</u>
DEPRECIATION					
At 1 April 2020	-	12,316	3,837	11,677	27,830
Charge for year	-	1,772	3,644	899	6,315
Eliminated on disposal	-	-	-	(8,602)	(8,602)
At 31 March 2021	<u>-</u>	<u>14,088</u>	<u>7,481</u>	<u>3,974</u>	<u>25,543</u>
NET BOOK VALUE					
At 31 March 2021	<u>56,648</u>	<u>3,888</u>	<u>10,934</u>	<u>2,772</u>	<u>74,242</u>
At 31 March 2020	<u>56,648</u>	<u>4,765</u>	<u>14,578</u>	<u>2,443</u>	<u>78,434</u>

CORNERSTONE TRUST

AN UNINCORPORATED REGISTERED CHARITY NO: 1003948

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	-	1,044
Prepayments and accrued income	2,305	17,772
	<u>2,305</u>	<u>18,816</u>

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Social security and other taxes	4,115	4,721
Accruals and deferred income	16,530	4,218
	<u>20,645</u>	<u>8,939</u>

6. OPERATING LEASE COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than one year	2,257	2,246
Later than one and not later than five years	-	1,310
Later than five years	-	-
	<u>2,257</u>	<u>3,556</u>
Lease payments recognised as an expense	<u>1,973</u>	<u>2,989</u>

7. ULTIMATE CONTROLLING PARTY

The Charity is controlled by the board of trustees.

8. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year ended 31 March 2021 (2020 – nil).

9. CAPITAL COMMITMENTS

The charity had no capital commitments at the year end.

10. GOING CONCERN

The trustees have reviewed the circumstances of Cornerstone Trust and consider that adequate resources continue to be available to fund the activities of the Charity for the foreseeable future. The trustees are of the opinion that the Charity is a going concern.

11. EVENTS AFTER THE END OF THE PERIOD

The care home closed in July 2021 and the long leasehold property has been placed on the market. It is intended that Cornerstone Trust will continue to exist and carry out different charitable activities.