REGISTERED CHARITY NUMBER: 1207404



Report of the Trustees and

Financial Statements

for the Year Ended 31 December 2025

for

Combe Hay CIO

Combe Hay CIO

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for the Year Ended 31 December 2025

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Combe Hay CIO

Report of the Trustees
for the Year Ended 31 December 2025

The trustees present their report with the financial statements of the charity for the year ended 31 December 2025. The trustees have adopted the provisions of 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).

Combe Hay is a charitable incorporated organisation (CIO) which was registered in March 2024. The activities and net assets of the unincorporated charity number 207164, known as George Edward Smart Homes, were being transferred to the CIO during the year. The transfer of the assets are being accounted for using merger accounting as required by Charities SORP (FRS 102).

Objectives and activities
Aims:
At Combe Hay, our objectives extend beyond the provision of residential care. We seek to promote the well-being, dignity, independence and quality of life of every resident, while ensuring that the organisation remains financially sustainable for the benefit of present and future residents.

Our core values are compassion, dignity, respect, independence and quality of life. These principles underpin the way in which we provide care and support our residents, as well as informing our longer-term strategy and our responsibilities to the wider community.

Residents fees:
Achievements
During the year, the George Edward Smart Homes successfully transferred the majority of its trading assets to the new Combe Hay entity, following amendments to the Articles of Association approved by the Charity Commission. This represents an important stage in the development of Combe Hay and reflects our commitment to providing high-quality care for older people, including those with increasing levels of physical and cognitive disability.

The development of a café within Combe Hay has provided residents and their families with a more informal and welcoming environment in which to meet and spend time together. The café also provides an opportunity to strengthen Combe Hay's links with the wider community.

Improvements to car parking facilities are being progressed to meet the needs of both residents and staff. Combe Hay is now operating at, or close to, its full capacity of 58 residents, while staffing levels have increased from 74 to 85 over the past year. This increase has created a corresponding need to improve parking provision within the site.

CQC Rating
The Trustees remain disappointed that, despite the considerable work undertaken over the past three years to improve standards and develop the organisation, the Care Quality Commission (CQC) has not yet undertaken a further inspection of Combe Hay under its new structure. The Trustees believe this work will be reflected in a significant improvement in the Charities rating.

The most recent published CQC inspection report dates from 2023. The Trustees remain committed to maintaining high standards of care and to continuing the programme of improvements undertaken since that inspection.

The latest CQC information and inspection report can be accessed through the CQC website.

Objectives and activities

Residents' quality of care

The Trustees are grateful to the care teams and wider staff for their continued commitment to providing high-quality, personalised care to our residents.

Combe Hay is operating at or close to full occupancy. As the average age of residents increases, so too does the level of physical and cognitive disability and complexity of care required. This presents continuing challenges for the organisation and places increasing demands on our care and support teams.

The senior management team has developed strong working relationships with visiting healthcare professionals, our local NHS hospital and a range of community-based organisations. In particular, close links are maintained with Social Services and the local Integrated Care Board. These relationships are an important part of ensuring that residents receive appropriate and coordinated care.

Staff and volunteers

Staffing levels have increased significantly during the year to reflect the needs of our residents and the increasing complexity of care.

Recruitment and retention remain important priorities. Long-term sickness absence has presented challenges during the year and, in some instances, has resulted in increased reliance on agency staff to maintain safe staffing levels. The Trustees recognise both the financial impact of agency staffing and the importance of ensuring that adequate staffing levels are always maintained.

Many members of our care team have been with Combe Hay for a considerable period. The Trustees particularly welcome the improved emphasis on staff training, development and the achievement of relevant professional qualifications.

Volunteers also make a valuable contribution to life at Combe Hay, including supporting activities within the café. Their contribution is greatly appreciated, while recognising that the café continues to require the support of paid staff.

Trustees and governance

During the year, the Trustees strengthened the charity's governance arrangements by introducing explicit term limits for Trustees.

Two new Trustees were appointed during the year, replacing longer-serving Trustees who have now retired. The Trustees continue to take an active role in the governance and oversight of the charity.

A number of Trustee subcommittees, including Finance, Human Resources and Residents' committees, provide more detailed oversight of key areas of the organisation and report to the full Board of Trustees.

Risk management and actions

The safety and well-being of residents within the extensive Combe Hay grounds remain a priority.

Measures have been introduced to improve pedestrian safety, including protected walkways and improved traffic management. Combe Hay occupies more than four acres of grounds, including summer houses, fishponds and landscaped gardens, which provide valuable outdoor space for residents but also require appropriate management and maintenance.

Objectives and activities

Risk management and actions

Although Combe Hay received a satisfactory annual inspection from the local fire service during the year, the Trustees have taken the decision to undertake a phased programme of fire-door replacement and improvements to fire compartmentation.

This represents a significant capital expenditure and will be funded from the charity's capital reserves. The Trustees consider the programme an essential investment in the safety and long-term resilience of the organisation.

Public Benefit

The Charity follows the Charity Commissions guidance on Public Benefit when reviewing its aims and objectives and when planning its activities. The Public Benefit which is derived from the Charity's services and activities is:
"to relieve those in need due to age, ill health or disability by providing residential accommodation and personal social care to persons mainly over 65 years of age or younger if approved by the trustees."

The Charity's area of operation is North Yorkshire and it currently serves the Scarborough area. The Charity aims to complement statutory social care and health service provision and as such is designed to provide value for money and equal access, without restriction, within its areas of operation. The Charity is mindful of prevailing social and economic conditions and has demonstrated through its continued ability to secure and attract new residents that it is achieving its objective. The service is also designed to meet not only the individual needs of the residents but also the broad objectives of government policy.

Achievements and performance

Charitable activities

The statement of financial activities shows net outgoing resources of £179,335 (2024 outgoing resources of £65,922). The net movement of funds, after taking account of unrealised gains on investments, leads to an increase in funds of £374,219 (2024 decrease in funds of £49,746).

As a registered charity, it is entitled to the exemptions from taxation in respect of income and capital gains received within categories covered by S524-537 Income Tax Act 2007 and S256 Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied for charitable purposes.

Combe Hay continues to offer residential care at fees that compare favourably with those charged by comparable providers. Our analysis indicates that our fees remain within the lower quartile of the market, which is consistent with our charitable objectives and our commitment to providing affordable care where possible.

However, the cost of operating the organisation has increased substantially in recent years. Rising staffing costs, agency expenditure, regulatory requirements and other operating costs have placed considerable pressure on the financial position.

The Trustees recognise that continued reliance on capital reserves to support day-to-day operations is not sustainable in the long term. While the use of reserves may be appropriate in the short term, our objective must be to restore financial stability and ensure that our reserves are available primarily for their intended purpose: the development, improvement and long-term sustainability of Combe Hay.

Achievements and performance

Investment performance

During the year, the Trustees also reviewed the performance of the organisation's investment management arrangements and compared these with those of other providers. Following this review, £2 million, representing approximately half of the charity's capital investment funds, will be transferred to AJ Finn investment management.

The Trustees will continue to monitor investment performance carefully and ensure that the charity's reserves are managed responsibly and in accordance with its long-term objectives.

Financial review

Reserves policy

In the absence of any accepted formula for arriving at an appropriate level of free reserves to be held, the Trustees have taken a pragmatic decision to adopt a figure equivalent to one year's charitable expenditure. The figure for free reserves is arrived at after deducting the amount locked away in the investments in tangible assets. At the end of the year free reserves amounted to £4,306,670 (2024 £4,579,381) compared with charitable expenditure for the year of £3,090,760 (2024 £2,617,451). This is well within the Trustees' adopted policy.

In determining the level of free reserves, the Trustees have regard to:
- The fact that income and expenditure is broadly in balance.
- The requirements of the Charities governing trust deed to maintain the extraordinary repair fund out of the income of the charity.
- The Trustees' analysis of required future expenditure both of a capital and revenue nature which are not likely to be met from current income, such as additional costs arising from the requirements of national minimum care standards and the need to equip and maintain the up-to-date facilities needed to sustain the standard of residential amenities;
- Forecast for levels of future income and expenditure;
- Ongoing uncertainty of the investment market.

The reserves policy is reviewed annually by the Trustees.

Going concern

The Trustees have prepared the accounts on a going concern basis on the grounds that the charity has healthy bank balances and readily realisable funds and a reasonable expectation that ongoing occupancy levels will be adequate for the charity to continue to operate and, as such, there are no material uncertainties regarding going concern.

Future plans

The year ahead

Financial sustainability will remain one of the Trustees' principal priorities during the coming year.

The organisation will continue to review its cost base, staffing structure, occupancy, fees and other sources of income to ensure that Combe Hay can operate on a financially sustainable basis while maintaining the quality of care provided to residents.

Future plans

The year ahead

At the same time, a Development Subcommittee comprising Trustees and members of senior management is considering further improvements and opportunities for Combe Hay. These will be progressed as the financial position permits and will focus on enhancing the services and facilities available to residents and the wider community.

Among the opportunities being considered are the provision of respite care for individuals living in the community and the potential development of an end-of-life care service. Such a service could provide valuable support to individuals who are medically ready to leave hospital but cannot safely return to their existing accommodation because appropriate care and support are not available.

The Trustees remain committed to ensuring that Combe Hay continues to develop as a caring, sustainable and community-focused organisation, while preserving the values on which the charity was founded.

Structure, governance and management

Governing document

The CIO is governed by its constitution document is a registered charity number 1207404.

The Trustees continue to comply with the requirements of the Charities Act 2011 as amended and the guidelines published by the Charity Commission.

Recruitment and appointment of new trustees

The appointment of new Trustees is the responsibility of continuing Trustees. The appointment of the chairman and vice chairman is by election annually at the annual general meeting.

Organisational structure

Trustees committees meet on a monthly basis with formal Trustees meetings being held quarterly to review the financial and operational management of the charity, as well as approving policy, strategic plans and ensuring proper governance. Certain tasks are delegated to Trustee Committees, the charity's day to day financial and operational management is delegated by the Trustees to the Head of Home.

Induction and training of new trustees

The Trustees induction process for the appointment of new Trustees is reviewed by the chairman and manager. Trustees, staff and residents are involved in the induction process. Trustees have leave to attend external courses appropriate to their role and special interest.

Reference and administrative details

Registered Charity number
1207404

Principal address
Stepney Drive
Scarborough
YO12 5DJ

Trustees
C G Boyes
R Cocker
I Glaves (resigned 19.2.25)
G Hay B Sc FCA (resigned 31.12.25)
E Heritage
J Nickson
M Priestley (resigned 31.12.25)
J Patterson
I Wyatt
J Stephenson
N Shaw
J Cook
P Jones (appointed 23.4.25)
J R Southwell (appointed 4.3.26)

Senior management

Mrs Julie Haley BM/CEO	Head of Home
Mrs M Watson	Clerk to the Trustees - Office manager

Reference and administrative details
Auditors
Ashby Berry Coulsons Limited
Statutory Auditors
2 Belgrave Crescent
Scarborough
North Yorkshire
YO11 1UB

Investment Advisors
CCLA Investment Management Ltd
80 Cheapside
London
EC2V 6DZ

Charity contact details

Telephone number	01723 375709
Fax. number	01723 500717
Email address	enquiries@combe-hay.co.uk
Website address	www.combe-hay.co.uk

Statement of trustees' responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Charity law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law the trustees must not approve the financial statements unless they are satisfied that they 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 charity for that period. In preparing those 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and The Charity (Accounts and Reports) Regulations 2008. 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.

Approved by order of the board of trustees on .....16 | Sept | 2026..... and signed on its behalf by:

.....

J Patterson - Trustee

Report of the Independent Auditors to the Trustees of Combe Hay CIO

Opinion

We have audited the financial statements of Combe Hay CIO (the 'charity') for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Report of the Independent Auditors to the Trustees of Combe Hay CIO

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:
- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the 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 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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Our audit procedures have included:
Performing audit work over the risk of management override of controls, including reviewing accounting estimates for bias and testing journal entries and other adjustments for appropriateness;
Reviewing minutes of meetings of those charged with governance;
Reviewing financial statement disclosures to assess compliance with applicable laws and regulations
Enquiry of management and those charged with governance concerning potential litigation and claims.

We consider that these procedures, together with evidence acquired from our other audit work, provide an audit approach enabling a reasonable likelihood of detection of irregularities.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of Combe Hay CIO

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Ashby Berry Coulsons Limited
Statutory Auditors
2 Belgrave Crescent
Scarborough
North Yorkshire
YO11 1UB

Date: .....

Combe Hay CIO

Statement of Financial Activities
for the Year Ended 31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	**2025 Total funds £**	2024 Total funds £
Income and endowments from						
Donations and legacies	2	-	-	-	-	1,426
Charitable activities	4					
Provision of accommodation, care and support		**2,802,105**	-	-	**2,802,105**	2,442,266
Investment income	3	**108,848**	-	-	**108,848**	106,700
Other income		**472**	-	-	**472**	1,137
Total		**2,911,425**	-	-	**2,911,425**	2,551,529
Expenditure on Charitable activities	5					
Provision of accommodation, care and support		**3,090,760**	-	-	**3,090,760**	2,617,451
Net gains/(losses) on investments		**(194,884)**	-	-	**(194,884)**	115,668
NET INCOME/(EXPENDITURE)		**(374,219)**	-	-	**(374,219)**	49,746
Reconciliation of funds						
Total funds brought forward		**4,597,090**	**424,143**	**249,501**	**5,270,734**	5,220,988
Total funds carried forward		**4,222,871**	**424,143**	**249,501**	**4,896,515**	5,270,734

The notes form part of these financial statements

Combe Hay CIO

Balance Sheet
31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	**2025 Total funds £**	2024 Total funds £
Fixed assets						
Intangible assets	12	**18,446**	-	-	**18,446**	-
Tangible assets	13	**118,133**	**424,143**	**249,501**	**791,777**	690,269
Investments	14	**4,108,357**	-	-	**4,108,357**	4,443,241
		4,244,936	**424,143**	**249,501**	**4,918,580**	5,133,510
Current assets						
Stocks	15	**6,141**	-	-	**6,141**	4,500
Debtors	16	**81,557**	-	-	**81,557**	97,932
Cash at bank and in hand		**87,270**	-	-	**87,270**	154,618
		174,968	-	-	**174,968**	257,050
Creditors						
Amounts falling due within one year	17	**(197,033)**	-	-	**(197,033)**	(119,826)
Net current assets		**(22,065)**	-	-	**(22,065)**	137,224
Total assets less current liabilities		**4,222,871**	**424,143**	**249,501**	**4,896,515**	5,270,734
NET ASSETS		**4,222,871**	**424,143**	**249,501**	**4,896,515**	5,270,734
Funds	19					
Unrestricted funds					**4,222,871**	4,597,090
Restricted funds					**424,143**	424,143
Endowment funds					**249,501**	249,501
Total funds					**4,896,515**	5,270,734

The financial statements were approved by the Board of Trustees and authorised for issue on ..... and were signed on its behalf by:

.....
J Patterson - Trustee

The notes form part of these financial statements

Combe Hay CIO

Cash Flow Statement
for the Year Ended 31 December 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	**(113,618)**	(152,336)
Net cash used in operating activities		**(113,618)**	(152,336)
Cash flows from investing activities			
Purchase of intangible fixed assets		**(20,496)**	-
Purchase of tangible fixed assets		**(182,082)**	(83,539)
Sale of fixed asset investments		**140,000**	-
Interest received		**2,292**	3,252
Dividends received		**106,556**	103,448
Net cash provided by investing activities		**46,270**	23,161
Change in cash and cash equivalents in the reporting period		**(67,348)**	(129,175)
Cash and cash equivalents at the beginning of the reporting period		**154,618**	283,793
Cash and cash equivalents at the end of the reporting period		**87,270**	154,618

The notes form part of these financial statements

Notes to the Cash Flow Statement for the Year Ended 31 December 2025

1. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2025 £	2024 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	**(374,219)**	49,746
Adjustments for:		
Depreciation charges	**82,624**	73,603
Losses/(gain) on investments	**194,884**	(115,668)
Interest received	**(2,292)**	(3,252)
Dividends received	**(106,556)**	(103,448)
(Increase)/decrease in stocks	**(1,641)**	178
Decrease in debtors	**16,375**	18,873
Increase/(decrease) in creditors	**77,207**	(72,368)
Net cash used in operations	**(113,618)**	(152,336)

2. Analysis of changes in net funds

	At 1.1.25 £	Cash flow £	**At 31.12.25 £**
Net cash			
Cash at bank and in hand	**154,618**	**(67,348)**	**87,270**
	154,618	**(67,348)**	**87,270**
Total	**154,618**	**(67,348)**	**87,270**

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Transition from unincorporated charity to Charitable Incorporated Organisation (CIO)
The unincorporated charity George Edward Smart Homes (Registered charity 207164) is currently in the process of transferring the activities and net assets to the charitable incorporated organisation (CIO) Combe Hay (Registered charity 1207404). At the year end the property and fixed assets have been transferred with the remaining assets and liabilities transferred after the year end and before the approval date of these accounts.

Following the provisions of Charities SORP (FRS 102), the transition has been accounted for using the merger accounting method. The comparative figures are all those of the predecessor charity.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Government grants
Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received, using the performance model.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold property	**- 2% on cost**
Fixtures and fittings	**- 5% to 33% on cost**
Motor vehicles	**- 20% on cost**

There is a capitalisation threshold of £1,000 for tangible fixed assets.

Stocks
Stocks are valued at the lower of cost and net realisable value.

continued...

1. Accounting policies - continued

Taxation
The charity is exempt from tax on its charitable activities.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The permanent endowment fund was set up as required by the initial documents establishing the charity, which state that the income and expenditure should be applied to the outgoings and expenses of running the Homes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs

The charity operates a defined contributory group personal pension plan for participating employees. Contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

Investments
Investments are included in the balance sheet at their market value at the balance sheet date. Any gain or loss arising in the year, either on disposal or revaluation is reflected in the Statement of Financial Activities.

Operating lease rentals
Operating lease rentals are included within expenses of the period to which they relate.

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 a 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 recognised at their settlement amount.

Going concern
The Trustees have prepared the accounts on a going concern basis on the grounds that the charity has healthy bank balances and readily realisable funds and a reasonable expectation that ongoing occupancy levels will be adequate for the charity to continue to operate, so there are no material uncertainties regarding going concern

Financial instruments
The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade, other debtors and creditors. Debt instruments that are payable or receivable within one year, typically debtors or creditors, are measured initially or subsequently at the undiscounted amount of cash or other consideration expected to be paid or received.

continued...

2. Donations and legacies

	2025	2024
	£	£
Donations	-	1,426

3. Investment income

	2025	2024
	£	£
Income from unlisted investments	**106,556**	103,448
Bank interest	**2,292**	3,252
	108,848	106,700

4. Income from charitable activities

	Activity	2025	2024
		£	£
Residents' fees	Provision of accommodation, care and support	**2,802,105**	2,442,266

5. Charitable activities costs

	Direct Costs (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Provision of accommodation, care and support	**2,887,969**	**202,791**	**3,090,760**

6. Direct costs of charitable activities

	2025	2024
	£	£
Staff costs	**2,195,310**	1,839,009
Catering, amenities, medical and rates	**188,345**	170,121
Insurance	**34,125**	33,534
Light, heat and water	**185,582**	184,769
Telephone	**5,767**	7,103
Printing, postage and stationery	**9,586**	9,851
Repairs and maintenance	**94,042**	91,822
Cleaning	**8,487**	6,791
Website, computer and adverts	**14,185**	12,019
Staff training	**8,010**	4,381
Staff welfare	**3,670**	2,248
General expenses	**42,820**	34,043
Computer costs	**15,416**	14,157
Carried forward	**2,805,345**	2,409,848

continued...

6. Direct costs of charitable activities - continued

	2025	2024
	£	£
Brought forward	**2,805,345**	2,409,848
Depreciation	**82,624**	73,603
	2,887,969	2,483,451

7. Support costs

	Management	Finance	Governance costs	Totals
	£	£	£	£
Provision of accommodation, care and support	**190,784**	**3,427**	**8,580**	**202,791**

Support costs, included in the above, are as follows:

Management

	2025 Provision of accommodation, care and support	2024 Total activities
	£	£
Staff costs	**173,864**	**104,028**
Accountancy	**16,920**	**19,300**
	190,784	**123,328**

Finance

	2025 Provision of accommodation, care and support	2024 Total activities
	£	£
Bank charges	**3,427**	**2,872**

continued...

7. Support costs - continued

Governance costs

	2025 Provision of accommodation, care and support	2024 Total activities
	£	£
Auditors' remuneration	**8,580**	**7,800**

8. Auditors' remuneration

	2025	2024
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	**8,580**	7,800

9. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2025 nor for the year ended 31 December 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2025 nor for the year ended 31 December 2024.

10. Staff costs

	2025	2024
	£	£
Wages and salaries	**2,134,145**	1,761,966
Social security costs	**177,343**	128,367
Other pension costs	**57,686**	52,704
	2,369,174	1,943,037

The average monthly number of employees during the year was as follows:

	2025	2024
Care staff	**44**	40
Domestic, catering, maintenance, garden	**33**	32
Support staff	**6**	3
	83	75

continued...

10. Staff costs - continued

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	2024
£80,001 - £90,000	1	1

The key management personnel of the charity comprises the Home manager and deputies. The total employee benefits of the key management of the charity were £168,059 (2024 - £209,898).

11. Comparatives for the statement of financial activities

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
Income and endowments from				
Donations and legacies	1,426	-	-	1,426
Charitable activities				
Provision of accommodation, care and support	2,442,266	-	-	2,442,266
Investment income	106,700	-	-	106,700
Other income	1,137	-	-	1,137
Total	2,551,529	-	-	2,551,529
Expenditure on				
Charitable activities				
Provision of accommodation, care and support	2,617,451	-	-	2,617,451
Net gains on investments	115,668	-	-	115,668
NET INCOME	49,746	-	-	49,746
Reconciliation of funds				
Total funds brought forward	4,547,344	424,143	249,501	5,220,988
Total funds carried forward	4,597,090	424,143	249,501	5,270,734

continued...

12. Intangible fixed assets

	Website £
Cost	
Additions	**20,496**
Amortisation	
Charge for year	**2,050**
Net book value	
At 31 December 2025	**18,446**
At 31 December 2024	-

13. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
Cost				
At 1 January 2025	**1,313,855**	**990,574**	**35,678**	**2,340,107**
Additions	**-**	**182,082**	**-**	**182,082**
At 31 December 2025	**1,313,855**	**1,172,656**	**35,678**	**2,522,189**
Depreciation				
At 1 January 2025	**750,348**	**863,812**	**35,678**	**1,649,838**
Charge for year	**34,777**	**45,797**	**-**	**80,574**
At 31 December 2025	**785,125**	**909,609**	**35,678**	**1,730,412**
Net book value				
At 31 December 2025	**528,730**	**263,047**	**-**	**791,777**
At 31 December 2024	563,507	126,762	-	690,269

The market value of the freehold property on a current use basis is estimated by the trustees to be in the region of £3,500,000.

continued...

14. Fixed asset investments

	Unlisted investments £
Market value	
At 1 January 2025	**4,443,241**
Disposals	**(143,882)**
Revaluations	**(191,002)**
At 31 December 2025	**4,108,357**
Net book value	
At 31 December 2025	**4,108,357**
At 31 December 2024	4,443,241

There were no investment assets outside the UK.

The unlisted investments portfolio at 31 December 2025 is as follows:-

	2025 Market value £	2025 Cost £	2024 Market value £	2024 Cost £
Charities Official Investment Fund Income Fund	3,596,910	2,094,225	3,777,744	2,094,225
Charities Official Investment Fund Accumulation Units	511,446	156,272	665,497	199,378

Cost or valuation at 31 December 2025 is represented by:

	Unlisted investments £
Valuation in 2025	**1,857,860**
Cost	**2,250,497**
	4,108,357

continued...

15. Stocks

	2025	2024
	£	£
Stocks	**6,141**	4,500

16. Debtors: amounts falling due within one year

	2025	2024
	£	£
Trade debtors	**37,835**	61,839
Other debtors	**9,760**	9,919
Prepayments and accrued income	**33,962**	26,174
	81,557	97,932

17. Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	**31,841**	37,593
Other creditors	**120,422**	54,307
Accruals and deferred income	**44,770**	27,926
	197,033	119,826

18. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025	2024
	£	£
Within one year	**18,549**	11,947
Between one and five years	**59,781**	24,089
In more than five years	**2,894**	-
	81,224	36,036

Included within the costs of charitable activities are charges relating to operating lease rentals of £15,358 (2024 - £11,947).

continued...

19. Movement in funds

	At 1.1.25 £	Net movement in funds £	At 31.12.25 £
Unrestricted funds			
General fund	**4,562,756**	**(374,219)**	**4,188,537**
Designated minibus fund	**34,334**	**-**	**34,334**
	4,597,090	**(374,219)**	**4,222,871**
Restricted funds			
Extraordinary repairs fund	**424,143**	**-**	**424,143**
Endowment funds			
Permanent endowment fund	**249,501**	**-**	**249,501**
TOTAL FUNDS	**5,270,734**	**(374,219)**	**4,896,515**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	**2,911,425**	**(3,090,760)**	**(194,884)**	**(374,219)**
TOTAL FUNDS	**2,911,425**	**(3,090,760)**	**(194,884)**	**(374,219)**

Comparatives for movement in funds

	At 1.1.24 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds	4,547,344	49,746	4,597,090
Restricted funds			
Extraordinary repairs fund	424,143	-	424,143
Endowment fund			
Permanent endowment fund	249,501	-	249,501
TOTAL FUNDS	5,220,988	49,746	5,270,734

continued...

19. Movement in funds - continued

Comparative net movement in funds included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds	2,551,529	(2,617,451)	115,668	49,746
TOTAL FUNDS	2,551,529	(2,617,451)	115,668	49,746

The designated minibus fund is intended to finance the future replacement of the existing minibus.

The charity's governing trust deed requires the trustees to establish an extraordinary repairs fund for the purpose of providing for extraordinary repairs, improvement or rebuilding of the Homes. The extraordinary repairs fund is to be established and maintained out of income of the charity.

The initial documents setting up the charity stipulated that a permanent endowment fund be created, the income from which would be used for the general running of the Homes.

20. Employee benefit obligations

Pension contributions amounting to £24,941 (2024 - £22,899) were due at the balance sheet date.

21. Related party disclosures

A family member of a trustee is employed by the charity in an administrative role, also acting as clerk to the trustees. This appointment was made in open competition and the trustee was not involved in the decision-making process regarding appointment. The role is paid at an independently commercial level wholly commensurate with the individual's qualification and contribution to the charity and receives no special treatment as a result of the relationship to a trustee.

22. Financial assets and liabilities

	2025	2024
	£	£
Financial assets measured at fair value through SOFA	**4,108,356**	4,443,240

Financial assets measured at fair value comprise investments held at market value.

Combe Hay CIO

Detailed Statement of Financial Activities for the Year Ended 31 December 2025

	2025 £	2024 £
Income and endowments		
Donations and legacies		
Donations	-	1,426
Investment income		
Income from unlisted investments	**106,556**	103,448
Bank interest	**2,292**	3,252
	108,848	106,700
Charitable activities		
Residents' fees	**2,802,105**	2,442,266
Other income		
Other income	**472**	1,137
Total incoming resources	**2,911,425**	2,551,529
Expenditure		
Charitable activities		
Staff costs	**1,960,281**	1,657,938
Social security	**177,343**	128,367
Pensions	**57,686**	52,704
Catering, amenities, medical and rates	**188,345**	170,121
Insurance	**34,125**	33,534
Light, heat and water	**185,582**	184,769
Telephone	**5,767**	7,103
Printing, postage and stationery	**9,586**	9,851
Repairs and maintenance	**94,042**	91,822
Cleaning	**8,487**	6,791
Website, computer and adverts	**14,185**	12,019
Staff training	**8,010**	4,381
Staff welfare	**3,670**	2,248
General expenses	**42,820**	34,043
Computer costs	**15,416**	14,157
Development costs	**2,050**	-
Depreciation of freehold property	**34,777**	34,777
Depreciation of fixtures and fittings	**45,797**	38,826
	2,887,969	2,483,451

Combe Hay CIO

Detailed Statement of Financial Activities
for the Year Ended 31 December 2025

	2025 £	2024 £
Support costs		
Management		
Staff costs	**173,864**	104,028
Accountancy	**16,920**	19,300
	190,784	123,328
Finance		
Bank charges	**3,427**	2,872
Governance costs		
Auditors' remuneration	**8,580**	7,800
Total resources expended	**3,090,760**	2,617,451
Net expenditure before gains and losses	**(179,335)**	(65,922)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	**(3,882)**	-
Unrealised gains/(losses) on fixed asset investments	**(191,002)**	115,668
Net (expenditure)/income	**(374,219)**	49,746