

Charity registration number: 204859

RIDGEGATE HOMES

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

RIDGEGATE HOMES

REFERENCE AND ADMINISTRATIVE INFORMATION

| | |
|-------------------------------|---|
| Trustees | Mr T Rice Mrs S Rice Mrs S Brankin |
| Senior management team | Mrs S Tobin, Registered home manager Mrs A Ballantyne Mrs A Gates |
| Charity number | 204859 |
| Principal address | 88 Doods Road Reigate Surrey RH2 0NR |

RIDGEGATE HOMES

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RIDGEGATE HOMES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their report and financial statements of Ridgigate Homes ("the charity") for the year ended 31 March 2023. In preparing the financial statements 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.

What we aim to do: our objectives and activities

The primary objective of the charity under the Trust Deed is to provide care and relief of the elderly by way of a residential care home or homes. There have been no material changes to this objective.

Significant activities

To help achieve its primary objective, the charity offers residents secure and comfortable surroundings within which they are free to lead an independent life as much as they wish. To encourage residents to get the most enjoyment from their day-to-day life at the home the charity offers daily entertainment and exercise activities as both mental and physical stimulation.

The charity relies on income from fees and charges to defray its operating costs, and, in setting the level of fees, works closely with local authorities to make sure good quality care is offered at an affordable price, whether for full-time care, short term day care, respite care and end of life care. It can be difficult to provide a measure as to whether the performance of the charity is meeting its objectives, however, the trustees are encouraged by the frequent positive feedback received from residents and their families, as well as local doctors, community nurses and CQC inspections.

Public benefit

in exercising their powers and duties the trustees have complied with their duty to have due regard to the Charity Commission guidance on public benefit and specific guidance for fee-charging charities.

Structure, governance and management

Governing document

Ridgigate Homes is an unincorporated body constituted under the charity's governing trust deed dated 29 July 1946, and is registered with the Charity Commission, number 204859.

Organisation

The charity is overseen by a board of trustees, who hold office for 3 years and who can present themselves for re-election, with new trustees being appointed following invitation and mentoring from the existing trustees. The board meets formally every two months, to discuss a full range of matters pertaining to finance, fabric of the estate and the administration of the charity, with matters arising between meetings generally dealt with by the Chairman, with due delegated authority, who reports back at the following meeting. Day-to-day operational control is vested in the registered home manager.

RIDGEGATE HOMES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Key management personnel pay

The trustees together with the registered home manager, deputy manager/care manager and charity administrator comprise the key management personnel of the charity. Key management remuneration is set by the trustees and reviewed on an annual basis.

Risk statement

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems and procedures have been established to mitigate those risks.

Our achievements and performance

Charitable activities

The charity provides 24 hour residential care for older people, including all aspects of care from nutrition, hydration, personal care, cleaning, and laundry to a strong and varied activities program. The establishment has 22 rooms, 19 with ensuite facilities as well as communal lounges and administration offices.

Ridgegate Homes continues to be rated as "Good" by the Care Quality Commission (CQC). In accordance with its objectives, the charity constantly strives to provide residents with the opportunity to live in comfortable surroundings, in a relaxed and secure family-like environment, while providing the degree of care necessary to enhance each resident's quality of life. Our philosophy is based on offering the core values of privacy, comfort, dignity, independence and choice and rights. The care home is monitored by the Registration Office for Surrey County Council, and a great deal of time is spent on health and safety issues to comply with statutory and other legal requirements.

With the age demographic of the home, inevitably there will be occupancy fluctuations from time to time, and during the year we experienced this especially so. However, due to the fine efforts of the senior management team we are now approaching full occupancy once again. As a way of saying thank you to all staff, families and volunteers we were able to host our annual summer and Christmas get-togethers once again, which were very well attended and received. A welcome relaxation of the Covid rules meant we were able to remove the visitor's pod from the Garden room, allowing this valuable area to be brought back into full use for the residents and their guests.

We have continued with our program of refurbishment of the resident's rooms and communal areas, which is vital in maintaining the feeling of a bright and modern establishment, and we must thank the local service providers for their efforts. Recruiting staff has been a challenge, in line with other local care homes, and we have had to use more agency staff than we would have liked. However, since the year end the senior management team have been successful in sourcing and recruiting staff at all levels which is reducing the overall staffing costs.

RIDGEGATE HOMES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Fundraising activities

The charity has not carried out any fundraising events during the year.

Future plans

The priorities and efforts of the trustees and senior management team are always to maintain the "Good" CQC rating by providing a safe and welcoming living environment for the residents, and secure working conditions for staff. This way we can seek to achieve full occupancy of the home. On-going and regular upgrading of the facilities available in both residents' rooms and general rooms will ensure comfort for residents and compliance with regulations. There is great emphasis placed on the vital issue of staff training, by which we encourage all staff to develop their skills and qualifications, and that helps to protect the reputation of the home as well.

The trustees would like to thank all those many individuals who have supported Ridgeway Homes over the past year.

Financial review

The full financial activities for the year under review are shown on pages 6 to 17.

The charity's incoming resources from its charitable activities were in deficit to outgoing resources by £123,447 (2022: surplus incoming resources of £1,421). Incoming resources included local government grants of £6,781 (2022: £35,740). Together with an unrealised loss of £12,873 (2022: £19,036 unrealised gains) in investment funds, an overall deficit of £136,320 was incurred for the year (2022: £20,457 overall surplus). Expenditure year on year was broadly similar, although a year-on-year reduction in direct payroll costs was more than matched by an increase in agency staffing costs. The charity has also recognized impairment losses this year of £33,346 within outgoing resources, mainly as a result of writing down the fair value of the internal lift, which is nearing the end of its useful life. As a result, total funds at 31 March 2023 were £599,563 (2022: £735,883).

Previously the charity had recognised funds within a restricted income fund, which largely represented donations raised following an Appeal made during 2008. The purpose of the Appeal was to raise badly needed funding to upgrade major parts of the establishment. During the course of this last decade those funds have been consumed on equipment and utilities that have either been incorporated within the general structure or have become obsolete and since replaced.

The trustees are now of the opinion that the specific terms of the Appeal donations have been met and there is no longer a reason for retaining the restricted fund, which has been transferred to unrestricted funds this year.

RIDGEGATE HOMES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Going concern

Each year, the trustees must state whether or not the annual accounts have been drawn up on a going concern basis (see the accounting policy note 1.2 on page 9). Going concern is the assumption that the charity has the resources (financial or otherwise) needed to continue operating for the foreseeable future and, in particular, for at least 12 months from the date of approval of these financial statements by the trustees.

Having reviewed the financial forecasts for the next year, the trustees are of the opinion that the charity's assets are sufficient to meet its current obligations, and the assets and reserves held will allow the charity to continue with its objectives.

Investment policy

The trustees review their policy for investing funds from time to time and remain of the view that general unit trusts designed for the charity sector remain the most appropriate investments. The investments are acquired in accordance with the powers of the trustees as contained in the trust deed. The trustees currently do not take social, environmental or ethical considerations into account in their investment policy.

Trustees

The trustees and governors who served during the year were:

| | |
|------------------|--------------------------------|
| Mr T Rice | Chairman |
| Mrs S Brankin | |
| Mrs S Rice | |
| Mrs S Tobin | |
| Mrs A Ballantyne | |
| Mrs A Gates | |
| Mrs J Rumary | |
| Mr J Brankin | |
| Mr A Marsh | (resigned on 5 September 2022) |
| Mrs A Chadwick | (resigned on 24 June 2022) |
| Mr K Chadwick | (resigned on 24 June 2022) |
| Dr R Olliver | (resigned on 31 May 2022) |

The trustees' report was approved by the Board on ...29 August 2023

.....


Trustee : Mr T Rice, Chairman

RIDGEGATE HOMES

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF RIDGEGATE HOMES

I report on the financial statements of the charity for the year ended 31 March 2023, which are set out on pages 6 to 17.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

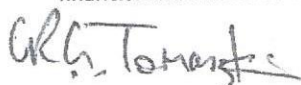
Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;

have not been met or

- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Mr. C.R.G. Tomaszewski
Alexanders Chartered Accountants
27 High Street
Horley
Surrey RH6 7BH

Date ^{29th} August 2023

RIDGEGATE HOMES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
|--|------|----------------------------|--------------------------|--------------------|--------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 10,781 | - | 10,781 | 39,740 |
| Residential care charges | | 788,473 | - | 788,473 | 852,994 |
| Investments | 4 | 12,037 | - | 12,037 | 10,531 |
| Total income | | 811,291 | - | 811,291 | 903,265 |
| Expenditure on: | | | | | |
| Residential care costs | 5 | 920,208 | - | 920,208 | 888,434 |
| Governance | 6 | 14,530 | - | 14,530 | 13,410 |
| Total expenditure | | 934,738 | - | 934,738 | 901,844 |
| Net (losses) gains on investments | 8 | (12,873) | - | (12,873) | 19,036 |
| Net (expenditure) income | | (136,320) | - | (136,320) | 20,457 |
| Transfers between funds | | 16,219 | (16,219) | - | - |
| Net movement in funds | | (120,101) | (16,219) | (136,320) | 20,457 |
| Total funds brought forward | | 719,664 | 16,219 | 735,883 | 715,426 |
| Total funds carried forward | | 599,563 | - | 599,563 | 735,883 |

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

All income and expenditure derive from continuing activities.

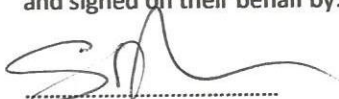
The notes on pages 9 to 17 form an integral part of these financial statements.

RIDGEGATE HOMES

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

| | Note | 2023 | | 2022 | |
|---|------|----------------|----------------|----------------|----------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 10 | | 279,280 | | 323,506 |
| Investments | 11 | | 219,526 | | 232,399 |
| | | | <u>498,806</u> | | <u>555,905</u> |
| Current assets | | | | | |
| Debtors | 12 | 19,755 | | 8,334 | |
| Cash at bank and in hand | | 168,742 | | 268,901 | |
| | | <u>188,497</u> | | <u>277,235</u> | |
| Creditors: amounts falling due within one year | 13 | (87,740) | | (97,257) | |
| Net current assets | | | <u>100,757</u> | | <u>179,978</u> |
| Total assets less current liabilities | | | <u>599,563</u> | | <u>735,883</u> |
| Net assets | | | <u>599,563</u> | | <u>735,883</u> |
| The funds of the charity | | | | | |
| Unrestricted funds | | | 599,563 | | 719,664 |
| Restricted income funds | | | - | | 16,219 |
| Total charity funds | | | <u>599,563</u> | | <u>735,883</u> |

The financial statements on pages 6 to 17 were approved by the trustees on 29 August 2023 and signed on their behalf by:



Mrs S Brankin, Trustee

The notes on pages 9 to 17 form an integral part of these financial statements.

RIDGEGATE HOMES

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

| | Note | 2023 £ | 2022 £ |
|---|------|-----------|-----------|
| Cash flows from operating activities | | | |
| Net cash (used in) provided by operating activities | 14 | (112,196) | 43,959 |
| Cash flows from investing activities | | | |
| Dividends and interest from investments | | 12,037 | 10,531 |
| Change in cash and cash equivalents | | (100,159) | 54,490 |
| Cash and cash equivalents at the beginning of the year | | 268,901 | 214,411 |
| Cash and cash equivalents at the end of the year | | 168,742 | 268,901 |
| Represented by | | | |
| Cash at bank and in hand | | 168,742 | 268,901 |

All of the cash flows are derived from continuing activities.

The notes on pages 9 to 17 form part of these financial statements.

RIDGEGATE HOMES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Ridgegate Homes is an unincorporated charity.

1.1 Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention, as modified by the revaluation of investments to fair value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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 practice as it applies from 1 January 2019.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence now and for the medium term, and that its financial position remains satisfactory. The trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fund accounting

The reserve funds held by the charity are either:

- Unrestricted funds, which 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, which are subject to specific conditions by donors as to how they may be used. The purposes and uses of any restricted funds are set out below in the notes to the financial statements.

RIDGEGATE HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.4 Incoming resources

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

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

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

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included as deferred income to be released.

Residential fees are accounted for in the period in which they are receivable.

Income from investments is recognised when the charity becomes entitled to receipt.

1.5 Resources expended

Resources expended are recognised in the period in which they are incurred and include attributable VAT which cannot be recovered. Resources expended are allocated to the particular activity where each cost relates directly to that activity.

Governance costs include expenditure on compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets that cost more than £1,000 with a useful life of more than 5 years are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. There is no provision for depreciation of the freehold buildings, as their residual values are well in excess of their carrying amounts. It is the charity's practice to maintain the buildings in a continual state of sound repair. No depreciation is charged on freehold land.

Depreciation is provided as follows to write off the cost or valuation of assets less their residual values over their expected useful lives:

| | |
|----------------------------------|---|
| Land and buildings | 3% - 5% straight line basis on internal lift and car park |
| Fixtures, fittings and equipment | 5% - 20% straight line basis |

RIDGEGATE HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1.7 Impairment of fixed assets

At each reporting end date, the trustees review the carrying amounts of 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 and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the Statement of Financial Activities.

1.8 Investments

Fixed asset investments which consist of listed investments are a form of financial instrument and are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains (losses) on investments' in the Statement of Financial Activities.

1.9 Debtors

Debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

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

1.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.12 Liabilities and provisions

Liabilities are recognised when the charity has an obligation at the end of its financial year as a result of a past event, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

RIDGEGATE HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1.13 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The charity contributes a specified percentage of payroll costs to the scheme to fund employee retirement benefits. The pension charge represents the amounts payable by the charity to the fund in respect of the year.

The only obligation of the charity with respect to the scheme is to make the specified contributions.

2 Critical accounting estimates and judgements

In the application of the charity'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.

3 Donations and legacies

| | 2023 | 2022 |
|---------------------|--------|--------|
| | £ | £ |
| Donations and gifts | 4,000 | 4,000 |
| Government grants | 6,781 | 35,740 |
| | <hr/> | <hr/> |
| | 10,781 | 39,740 |
| | <hr/> | <hr/> |

The grants covered infection control measures, rapid covid testing, and workforce recruitment and retention. The grants were all received from Surrey County Council on the basis that the charity met the required qualifying criteria, and no further conditions were attached.

RIDGEGATE HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

| | | | |
|----------|---|-------------|-------------|
| 4 | Income from investments | 2023 | 2022 |
| | | £ | £ |
| | Dividends from listed investments and bank interest | 12,037 | 10,531 |
| | | <hr/> | <hr/> |
| 5 | Analysis of residential care costs | 2023 | 2022 |
| | | £ | £ |
| | Unrestricted funds | | |
| | Direct costs | 79,763 | 79,257 |
| | Employment costs (Note 7) | 475,434 | 508,093 |
| | Agency staff | 211,317 | 171,395 |
| | Establishment costs | 99,203 | 88,798 |
| | Other costs | 10,265 | 9,557 |
| | Depreciation of fixed assets | 10,880 | 10,726 |
| | Impairment losses | 33,346 | - |
| | Loss on disposal of fixed assets | - | 15,886 |
| | | <hr/> | <hr/> |
| | | 920,208 | 883,712 |
| | | <hr/> | <hr/> |
| | Restricted funds | | |
| | Depreciation of fixed assets | - | 4,722 |
| | | <hr/> | <hr/> |
| 6 | Analysis of governance costs | 2023 | 2022 |
| | | £ | £ |
| | Legal and professional costs | 10,522 | 8,804 |
| | Accountancy | 3,072 | 3,072 |
| | Independent examination fee | 300 | 900 |
| | Bank charges | 636 | 634 |
| | | <hr/> | <hr/> |
| | | 14,530 | 13,410 |
| | | <hr/> | <hr/> |

RIDGEGATE HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

| 7 | Analysis of staff costs and benefits | 2023 | 2022 |
|----------|--|-------------|-------------|
| | | £ | £ |
| | The aggregate payroll costs were as follows: | | |
| | Salaries and wages | 435,195 | 464,415 |
| | Social security costs | 29,762 | 31,836 |
| | Employer's pension contributions | 7,204 | 8,675 |
| | Training and other staff expenses | 3,273 | 3,167 |
| | | <hr/> | <hr/> |
| | | 475,434 | 508,093 |
| | | <hr/> | <hr/> |

Key management personnel

Included in salaries and employer's pension contributions:

| | | |
|---------------------------|---------|---------|
| Remuneration and benefits | 100,172 | 101,670 |
| | <hr/> | <hr/> |

The trustees together with the Registered Home Manager, deputy manager/care manager and charity administrator comprise the key management personnel of the charity. None of the trustees, nor any person connected with them, receive remuneration or expenses.

A trustee is permitted to enter into a contract with the charity to provide trade or professional services on an arm's length independent basis, and during the year Mr A Marsh received £9,659 (2022: £18,528) in respect of maintenance services.

No employee received remuneration in excess of £60,000 (2022: none).

Average number of staff during the year:

| | | |
|-------------------------------|-------|-------|
| Residential care staff | 22 | 24 |
| Management and administration | 3 | 3 |
| | <hr/> | <hr/> |
| | 25 | 27 |
| | <hr/> | <hr/> |

RIDGEGATE HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

| | | | |
|----------|--|-------------|-------------|
| 8 | Net (losses) gains on investments | 2023 | 2022 |
| | | £ | £ |
| | (Losses) gains on revaluation of investments | (12,873) | 19,036 |

9 Taxation

Ridgegate Homes is a registered charity and under Part 10 of the Income Tax Act 2007 and section 256 of the Taxation of Chargeable Gains Act 1992 is exempt from tax on its income and capital gains applied to its charitable purposes.

| | | | | |
|-----------|------------------------------------|--|---|--------------|
| 10 | Tangible fixed assets | Freehold land and buildings | Fixtures, fittings and equipment | Total |
| | | £ | £ | £ |
| | Cost | | | |
| | At 1 April 2022 | 408,480 | 91,906 | 500,386 |
| | At 31 March 2023 | 408,480 | 91,906 | 500,386 |
| | Depreciation and impairment | | | |
| | At 1 April 2022 | 122,338 | 54,542 | 176,880 |
| | Depreciation charged in the year | 3,636 | 7,244 | 10,880 |
| | Impairment losses | 33,346 | - | 33,346 |
| | At 31 March 2023 | 159,320 | 61,786 | 221,106 |
| | Carrying amount | | | |
| | At 31 March 2023 | 249,160 | 30,120 | 279,280 |
| | At 31 March 2022 | 286,142 | 37,364 | 323,506 |

Included in the cost of land and buildings is freehold land of £9,545 (2022: £9,545) which is not depreciated. Although no professional valuation has been carried out in recent years, the trustees are of the opinion that the freehold land and buildings have a market value significantly higher than their carrying amount.

RIDGEGATE HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Impairment losses

The impairment losses arise from a revaluation of the internal lift and the outside car park area. Both of these were being written off over 50 years, but the lift in particular is now reaching the end of its useful life. The impairment losses are £12,578 for the car park and £20,768 for the lift.

| 11 Fixed asset investments | Listed Investments £ |
|-----------------------------------|-------------------------------------|
| Cost or valuation | |
| At 1 April 2022 | 232,399 |
| Revaluation | (12,873) |
| | <hr/> |
| At 31 March 2023 | 219,526 |
| | <hr/> |
| Carrying amount | |
| At 31 March 2023 | 219,526 |
| | <hr/> |
| At 31 March 2022 | 232,399 |
| | <hr/> |

The listed investments are administered and valued annually by J M Finn & Co, a member of the London Stock Exchange, using market prices. The historical cost of the investments at 31 March 2023 was £46,734 (2022: £46,734).

| 12 Debtors | 2023 | 2022 |
|-------------------------------|-------------|-------------|
| | £ | £ |
| Residential care charges | 13,998 | 2,322 |
| Other debtors | 1,981 | 1,805 |
| Prepayment and accrued income | 3,776 | 4,207 |
| | <hr/> | <hr/> |
| | 19,755 | 8,334 |
| | <hr/> | <hr/> |

RIDGEGATE HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

| 13 Creditors: amounts falling due within one year | 2023 | 2022 |
|--|-------------|-------------|
| | £ | £ |
| Residential care costs | 27,800 | 24,475 |
| Other taxation and social security | 6,737 | 8,402 |
| Other creditors | 1,451 | 1,743 |
| Accruals | 33,362 | 37,110 |
| Deferred income | 18,390 | 25,527 |
| | <hr/> | <hr/> |
| | 87,740 | 97,257 |
| | <hr/> | <hr/> |

Accruals represents staff costs, agency fees, utilities and accountancy.

Deferred income represents residential charges received in advance.

| 14 Reconciliation of net income to net cash flow from operating activities | 2023 | 2022 |
|--|------------------|---------------|
| | £ | £ |
| Net income (expenditure) for the year as per the Statement of Financial Activities | (136,320) | 20,457 |
| Adjustments for: | | |
| Dividends and interest from investments | (12,037) | (10,531) |
| Fair value losses (gains) on investments | 12,873 | (19,036) |
| Depreciation charges and impairment losses | 44,226 | 31,334 |
| (Increase) decrease in debtors | (11,421) | 11,972 |
| (Decrease) increase in creditors | (9,517) | 9,763 |
| | <hr/> | <hr/> |
| Net cash (used in) provided by operating activities | (112,196) | 43,959 |
| | <hr/> | <hr/> |