Company registration number 00482334 (England and Wales)

Charity registration number 223262 (England and Wales)

EOTHEN HOMES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026



EOTHEN HOMES LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr I D Thomson Professor A Thomas Dr A Van Den Bos Dr S Mishreki Mr A McIlhinney Ms M Erny Ms L Marsh Mr R Rust
Chief Executive	Mrs J M Hearl
Company Secretary	Mrs B Wilson
Charity number	223262
Company number	00482334
Registered office	15 Berrymoor Court Northumberland Business Park Cramlington Northumberland England NE23 7RZ
Auditor	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle upon Tyne Tyne and Wear England NE2 1TJ
Bankers	Barclays Bank Plc Wingrove Newcastle West Group Newcastle upon Tyne

EOTHEN HOMES LIMITED

CONTENTS

	Page
Trustees' report	1 - 9
Statement of trustees' responsibilities	15
Independent auditor's report	10 - 12
Statement of financial activities	13
Balance sheet	14
Statement of cash flows	16
Notes to the financial statements	17 - 24

EOTHEN HOMES LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2026

The trustees present their annual report and financial statements for the year ended 31 March 2026.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Ethos, values, aims and objectives

Eothen Homes is a respected and trusted well-established Christian charity founded in 1950. The Charity's objects ("the Objects") are to provide care for elderly persons, within a Christian framework and ethos. Our aim is to provide quality residential care and support, showing compassion and understanding, and providing a homely environment with safe, quality accommodation in which residents are treated with dignity and respect.

Care provided is flexible and individualised to meet physical, emotional, spiritual and social needs. Residents are encouraged to live life to the full, and enjoy a lifestyle based on each person's abilities, interests and life history.

We regard our employees as our greatest asset and base recruitment on our values to ensure we employ those who genuinely care. We continually invest in training and professional development to ensure staff are experienced, dedicated and skilled.

Our Values

Empathy: We will aim to understand other people's experiences and what is important to them, showing Christian commitment, compassion, love and kindness.

Openness: We will open our doors and our hearts, be approachable, accept others and always listen to feedback.

Trustworthiness: We will act with integrity and transparency in everything we do and provide a safe and secure environment.

Honesty: We will work together to act truthfully and promote open and honest communication.

Equality: We will treat everyone with respect and courtesy, promoting fair and inclusive practice.

Nurturing: We will value and respect everyone, creating a sense of belonging in a caring, safe and happy environment where people are supported to achieve their full potential.

Objectives for the year ending 31st March 2026

Ensuring the care we provide is exceptional and of a consistently high standard, which is flexible to meet the increasing needs, expectations and demands of our residents and their families. Resident dependency and occupancy will be continually monitored alongside the staffing ratio which is increased or decreased as required to ensure appropriate levels of staff are maintained.

To maintain good occupancy which will increase the forecast surplus, support cash reserves and boost the maintenance fund to reinvest in our existing homes and fund a new development. We are actively looking for future projects and development opportunities in either residential or dementia care in the North East of England and neighbouring areas.

Resident fees will be reviewed annually and increased in line with forecast expenditure and any changes to staff numbers.

We will continue in our commitment to developing our staff by including them in our research work, ensure they receive regular training and support and provide attractive pay rates and terms and conditions of employment. Our recruitment and induction procedures are regularly reviewed to ensure they are effective and relevant. We aim to be fully staffed and reduce agency costs which includes staff working at all of our homes.

Objectives for the year (cont.)

We will employ a part time Pastoral Support role to support both residents and staff at all homes. We will also include residents and relatives in the recruitment process and gather feedback from them for new staff within their probationary period.

We will focus on updating the décor and facilities at each home, implementing lounge/diner areas to provide a more home from home environment, supporting resident independence and enhancing visitor experience. The gardening team will develop some areas of the gardens to provide more areas of interest and additional seating areas.

Strategies employed to achieve objectives

The trustees and senior management team continue to review the performance of the charity and plan for the future, we aim to ensure the organisation is secure and able to develop, whilst remaining a manageable size, so that quality of care is not compromised and the charity's aims, objectives and values continue to be met.

Eothen currently has the capacity to provide 24 hour person centered care and support for 135 individuals, 71 residential care, and 64 specialist dementia care. Our homes are located at Gosforth, Whitley Bay and Wallsend and are purpose built. Our specialist facility at Wallsend provides small scale household living using the 'butterfly model of care', designed to provide freedom and choice for those living with dementia.

We offer full and varied activity programmes which are aligned with our Ethos and Values and we employ activity co-ordinators at our homes to ensure that we provide Christian fellowship and Pastoral Support to meet the needs of each individual. We have good relationships with local universities, colleges and schools. We offer work experience and student nurse placements, along with nursery school children who are also regular visitors.

We aim for our residents to live at Eothen as long as possible, working with health care professionals to provide end of life care and full support for both the residents and their families. Respite care is provided if rooms are available, as well as day care for those in the community who may be lonely and need extra support.

We are committed to staff training and development facilitated by a full time Training and Development manager who ensures compliance with mandatory and bespoke training. Our staff receive training specifically regarding their home and residents which enables us to provide consistent standards and be more responsive to individual training needs. Staff will be encouraged to participate in research activities and to have a greater understanding of how life in care homes can be improved for residents, relatives and staff.

Our values and our Christian Ethos are embedded in staff induction and training. Managers will ensure that staff are well supported through regular observations, supervision and appraisals. We provide extra staff to cover sickness absence, holidays and staff vacancies with the aim of eliminating the use of agency staff.

Managers will promote Eothen and continue to network in their local community to increase awareness of the charity, as well as developing ways to attract residents and staff, including effective and well placed marketing and advertising.

Achievement and performance

Charitable activities

Our Christian Ethos and Values continue to be embedded throughout the organisation and we continue to build on our excellent reputation. This is evidenced by receiving outstanding feedback and ratings on the carehome.co.uk website, with Eothen being voted as one of the top 20 small care home groups in the region for 2025 and one of the top 20 in the UK in 2026, also, both Wallsend and Gosforth feature in the top 20 care homes in the North East of England.

A good level of occupancy has been achieved at all homes and we have had a steady stream of enquiries and each home has produced a surplus.

Staff turnover has increased slightly from the previous year, however, recruitment and retention has improved throughout the year with 46 new staff, including a pastoral support worker. We continue with our commitment to the living wage with our lowest paid staff being on this rate of pay. Research of competitors pay rates in the local area indicate that we offer very competitive rates of pay, along with good terms and conditions of employment, opportunities for training and development and career progression.

'Coolcare' an electronic care home administration system was implemented replacing the existing payroll system which also integrates with Nourish, our electronic care planning system and has streamlined home, staff and resident records. Biometric sign in and a staff portal is included to enable staff to book overtime, training and request holidays, which is a more efficient way to communicate with our workforce.

Following the successful implementation of 'Under Our Wing' bespoke training that encapsulates the butterfly model of care, the second level of training, 'Caring with Heart', focuses on empathy, with staff wearing an empathy suit to experience various age and dementia related impairments.

We continue to be involved in a number of wider research projects led by universities across the UK. Most recently, we have agreed to take part in a study led by Newcastle University and University of Southampton. The project aims to transform understanding of how temperature affects health outcomes for vulnerable populations across England and Wales, while also identifying environmental solutions that may help reduce these risks in the future.

We have strengthened our partnership with Care & Research North East, securing additional funding to extend the partnership work, enabling us to build further on the progress already made and continue developing research-informed practice within our care homes.

Good progress has been made with the refurbishment program. Windows replaced, ground floor electrical and lighting upgraded, ceiling tiles and corridor fire doors replaced and decoration at Gosforth on the ground floor completed. New lounge/diners and café areas added for residents and relatives to use, providing a cosy and more intimate dining experience. Patio doors and new windows fitted to resident's rooms at Whitley Bay and refurbishment of the office including fitted furniture. Heating systems at Wallsend and Whitley Bay have been upgraded, with the addition of a Business Energy Management System at Whitley Bay.

Investment made to garden areas in all homes, providing outdoor terrace areas to encourage al fresco dining in the summer months, bird feeders, squirrel runs, water features, large animal ornaments, new furniture and cushion storage.

Events were held at all homes to celebrate 75 years of Eothen Homes with trustees, families, residents and stakeholders in attendance.

Key performance indicators

1. Occupancy – We aim for good occupancy at all homes and measure actual occupancy against forecast.

2. Financial surplus – We have achieved a cash surplus for each home this year.

3. Resident & Relative satisfaction - We aim to achieve a customer satisfaction score in excess 80% and we achieved 92% in 2025.

4. In 2025 Eothen won the award of being one of the top 20 small care home groups in the region, this has continued into 2026 with the additional award of being one of the top 20 small care home groups in the UK – all of the homes receive some outstanding positive comments. Feedback and reviews can be found on www.carehome.co.uk

5. Employee satisfaction – We achieved an overall staff satisfaction rate from annual questionnaires of 97.1%.

Public Benefit

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and are confident that Eothen can continue to meet the public benefit now and into the future in the following ways:

Providing care and accommodation for all. We accept those who are fully self-funded and those who are partially or fully subsidised by other means, such as the local authority and the NHS, which provides continuing health care.

Residents pay an economic fee for their care, some of which may be partially or fully payable by a local authority. At Wallsend the local authority fee rate is substantially lower than the cost of care. Third party top up fees are requested for Local Authority funded residents to help bridge the gap.

Our Ethos is one of inclusion and in practical terms we are committed to equality and diversity, welcoming residents and staff from different backgrounds and communities. Residents are encouraged to join in activities in the homes and, where able, in the local community, where each individual can maintain his or her own interests and faith.

We are approved to provide placements for student nurses from Northumbria University and work experience for health and social care students from local colleges. Students are able to participate and experience good quality care of the elderly and can learn and develop new skills and knowledge to benefit their future careers in the care sector, especially with our model of care for those living with dementia.

We are working with Newcastle University on various research projects within social care, sharing knowledge, participating in trials and working with other providers to improve care of older people and those living with dementia.

Eothen Homes does not actively raise funds but all donations are welcome and are used directly for the benefit of our residents, usually for activity equipment, garden furniture or specific projects.

Financial Review

Reserves policy
The trustees have considered the level of reserves which should be maintained by the charity and this is reviewed at board meetings. Reserves may be needed to cover unexpected shortfalls in charitable income and other contingencies.

Undesignated free reserves (excluding capital assets but including investments) as at 31 March 2026 amounted to £5,789,190. The Trustees consider this level of free reserves to be adequate to support the operation of the three homes for the foreseeable future.

The charity has revised the investment policy to include some medium term investments, and in 2022 placed £1m with Edentree Investment Management and £1m with Redmayne Bentley Investment Management and Stock Brokers. In 2025, a further £300,000 was invested with both Edentree and Redmayne Bentley. Other funds are on deposit in term accounts, maturing at various dates throughout the year giving predictable access to funds. The trustees consider that £500,000 is a sufficient minimum financial reserve.

The Trustees ceased the depreciation of buildings in 2002 and established the Planned Maintenance Fund. The fund is topped up by an annual transfer of 2% of fee income generated by all homes. Planned works such as decoration and general refurbishment of the homes are funded from this. In the event of major works, an additional transfer from undesignated free reserves may be agreed.

The balance on the planned maintenance fund is £144,273 which along with the transfer from fees is considered adequate to fund the planned expenditure in the coming year. The Trustees monitor the level of this fund on an annual basis.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

Ensuring the care we provide is exceptional and of a consistently high standard, which is flexible to meet the increasing needs, expectations and demands of our residents and their families. Resident dependency and occupancy will be continually monitored alongside the staffing ratio which is increased or decreased as required to ensure appropriate levels of staff are maintained.

To maintain good occupancy which will increase the forecast surplus, support cash reserves and boost the maintenance fund to reinvest in our existing homes and fund a new development. Continue to network and research any future projects or development opportunities in either residential or dementia care in the North East of England and neighbouring areas.

Resident fees will be reviewed annually and increased in line with forecast expenditure and any changes to staff numbers.

Continue with our aim to be fully staffed and to manage the Finance Managers retirement in August, 2026, ensuring a smooth transition and thorough handover period. Employ a second pastoral support person to work at our dementia home at Wallsend and an administrator at head office with a main focus of recruitment and marketing.

We will continue in our commitment to develop our staff by including them in our research work, ensure they receive regular training and support and provide attractive pay rates and terms and conditions of employment. Staff pay will be reviewed annually in line with the Real Living Wage and senior salaries reviewed and benchmarked through Paydata every five years.

Wallsend will celebrate its 10 year milestone, with an event planned to mark the occasion and staff who have worked at the home since opening in 2016.

Increase activity provision with more variety in day to day activities, events and outings. To introduce a residents committee with the aim of providing an opportunity for residents to meet, visit other homes and feel involved. To have a voice, feel listened to and provide valuable feedback of provision to help us improve on all aspects of the service we provide.

To continue with refurbishment plans to maintain the quality of accommodation currently provided and to improve facilities which will provide more varied and stimulating areas both inside and out. The year ahead will focus on furnishings at Gosforth and Whitley Bay, including new carpets curtains and furniture to the lounge, dining areas and ground floor corridors. An upgrade of lighting, décor and carpets to the ground floor at Whitley Bay, with new lounge/dining options and a café area for residents and families to use and refurbishment of the pond to include windows to the side walls for residents to see the fish under water. Decoration in the households at Wallsend and development of the activity areas.

We will continue our partnership with Care & Research North East. A learning visit to Maastricht in the Netherlands May 26 has been arranged. During this trip, members of the partnership will explore how research partnerships operate there and visit care homes that are part of their network. The visit will provide an opportunity to learn from international examples, gain new ideas, and experience how care homes in the Netherlands support research and innovation in practice.

We will also be in discussions with another forward-thinking care home in Teesside about potentially joining our partnership to share ideas and explore how we might work together. Expanding the partnership in this way will strengthen the research network and create more opportunities for learning and innovation across care services.

Structure, governance and management

Governing document

Eothen Homes Limited is a Company limited by guarantee, governed by Articles of Association adopted on 13 December 2017 (previously governed by the Memorandum and Articles of Association dated 8 May 1950, amended on 27 September 1988 and 10 May 2010). The Company's registration number is 0482334. It is registered as a charity with the Charity Commission, number 223262. There are currently eight members, each of whom agrees to contribute £1 in the event of the charitable company being wound up.

The charity's object and principal activity (as described in the articles) is;

"to provide care for elderly persons within a Christian Framework and Ethos", by the following means:

Providing appropriate accommodation, items, services or facilities calculated to relieve the needs of such persons, and by the provision of carers and by the provision of regular support and training for such carers."

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr I D Thomson
Professor A Thomas
Dr A Van Den Bos
Dr S Mishreki
Mr A McIlhinney
Ms M Erny
Ms L Marsh
Mr R Rust

Recruitment and appointment of new trustees

The board consists of voluntary trustees, (members/directors), who are committed Christians and adhere to the Evangelical Alliance's statement of faith. Trustees have statutory responsibilities and ensure they follow the Charity Commission Code of Governance. In line with Charity requirements, the Directors do not draw any remuneration or benefit other than expenses to carry out their duties. Trustees visit the homes when possible to keep up to date and to provide opportunities to meet residents and staff. They also attend briefings and training courses as appropriate and benefit from training and experience from other charities they are involved in.

The recruitment process follows charity commission guidelines to ensure there is an appropriate range of skills, knowledge and experience amongst its members. Existing trustees approach candidates who are invited to attend a Trustee meeting, initially as an observer. If they are considered suitable for the role of trustee, the relevant checks and references are obtained before being invited to join the board.

New Trustees are given an induction pack which includes constitutional documents, our annual business plan, risk register, governance information and any other information relevant to the work of the charity. All members receive a copy of the 'Governance' magazine in order to keep them up to date with their role and responsibilities and are directed to read the Charities Commission Governance code.

The number and skills of trustees have been reviewed and it has been identified that we would benefit from the recruitment of some new trustees, preferably with expertise in finance, senior business management and law. Advertising leaflets have been designed to reach out to any potential trustees and distributed to local churches and businesses with who we have close working connections in the North East.

Trustees are appointed for a three year term, after which time they are invited to stand for re-election.

In 2025, Ms M Erny and Professor A Thomas were re-elected.

Organisational structure
The board of trustees have responsibility for the overall leadership and direction of the charity and the day to day operation of the charity and its services is delegated to the Chief Executive and her team. The trustees meet at least three times per year and in between meetings there is regular contact with the CEO, Chair of trustees and other trustees as appropriate. Trustees are provided with financial reports quarterly to enable them to review and approve long term objectives, strategy, policies, budget and compliance with the Charity Commissions' Governance code.

Employees
We are an equal opportunities organisation, committed to providing a happy, safe and comfortable environment for all staff, volunteers and students. We aim to recruit staff who will embrace our Christian ethos, values and model of care.

We employ 165 staff and are also supported by families, friends and volunteers from the local community. We are committed to providing good terms and conditions of employment for all staff.

We provide bespoke in-house training, personal development and career opportunities. We will communicate, consult with, and listen to our staff, providing regular opportunities to provide feedback through questionnaires, individual reviews and meetings.

Risk management
The trustees review strategic risk regularly. A comprehensive risk register is maintained which is subject to review at board meetings. The risk register identifies risks likely to affect the charity's ability to meet its aims and objectives in areas of Governance and Management, Financial and Legal, Regulatory Compliance and any other external factors. Systems and policies are in place to reduce or mitigate any risk and these are monitored and appropriate actions taken if required.

The risk register has been reviewed for the coming year with only minor amendments made. Recruitment issues and staff shortages continue to be a higher risk. However, the charity remains in strong financial position and the financial forecast for the year ahead is good.

Financial Risk management
Eothen operates robust and secure financial systems with safe accounting procedures in place. The trustees are aware of their 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.

Financial risks are identified as part of the annual business review process and are monitored on a regular basis. Financial performance is reported to the trustees by the finance manager, which may be subject to further scrutiny as determined by the board.

Auditor
In accordance with the company's articles, a resolution proposing that Robson Laidler Accountants Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.

I D Thomson

Mr I D Thomson
Trustee

Date: 14 JULY 2026

EOTHEN HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EOTHEN HOMES LIMITED

Opinion

We have audited the financial statements of Eothen Homes Limited (the 'charity') for the year ended 31 March 2026 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2026 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 *Auditor's 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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.

The risk of material misstatement due to error or fraud has been assessed in conjunction with how internal controls may mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Analytical review and substantive testing is also performed on all material balances and therefore any instances of non-compliance should be identified or considered as insignificant. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team;

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework, in which the charity operates and how the charity complies with that legal and regulatory framework
- inquired with management and those charged with governance about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud
- discussed with management and those charged with governance any non-compliance with laws and regulations and how fraud might occur including assessments of how and where the financial statements may be susceptible to fraud.

The risk of management override of controls was also considered an area of potential misstatement due to fraud. Audit procedures performed included testing of manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nicholas Cunningham MSc BSc FCCA (Senior Statutory Auditor)
For and on behalf of Robson Laidler Accountants Limited, Statutory Auditor
Chartered Accountants
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
NE2 1TJ
England
Date: 15-7-2026

EOTHEN HOMES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Income from:			
Donations and legacies	2	4,505	19,312
Charitable activities		7,042,588	6,388,639
Investments		159,442	119,415
Total income		7,206,535	6,527,366
Expenditure on:			
Charitable activities	3	6,485,564	5,879,617
Total expenditure		6,485,564	5,879,617
Net gains/(losses) on investments		158,280	(48,294)
Net movement in funds	5	879,251	599,455
Reconciliation of funds:			
Fund balances at 1 April 2025		13,620,036	13,020,581
Fund balances at 31 March 2026		14,499,287	13,620,036

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

EOTHEN HOMES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Tangible assets	9		8,565,824		8,566,046
Investments	10		2,968,756		2,137,720
			11,534,580		10,703,766
Current assets					
Debtors	11	97,586		131,982	
Cash at bank and in hand		3,301,532		3,186,138	
		3,399,118		3,318,120	
Creditors: amounts falling due within one year	12	(434,411)		(401,850)	
Net current assets			2,964,707		2,916,270
Total assets less current liabilities			14,499,287		13,620,036
The funds of the charity					
Unrestricted funds			14,499,287		13,620,036
			14,499,287		13,620,036

The financial statements were approved by the trustees on 14 July 2026

I D Thomson

Mr I D Thomson
Trustee

Company registration number 00482334 (England and Wales)

EOTHEN HOMES LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2026

The trustees, who are also the directors of Eothen Homes Limited for the purpose of company law, 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).

Company law 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, including the income and expenditure, of the charitable company for that year.

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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate 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 Companies Act 2006. 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.

EOTHEN HOMES LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Cash flows from operating activities					
Cash generated from operations	**18**		656,174		551,320
Investing activities					
Purchase of tangible fixed assets		(26,863)		(22,233)	
Purchase of investments		(826,169)		(138,114)	
Proceeds from disposal of investments		152,810		41,620	
Investment income received		159,442		119,415	
Net cash (used in)/generated from investing activities			(540,780)		688
Net cash generated from financing activities			-		-
Net increase in cash and cash equivalents			115,394		552,008
Cash and cash equivalents at beginning of year			3,186,138		2,634,130
Cash and cash equivalents at end of year			3,301,532		3,186,138

1 Accounting policies

Charity information

Eothen Homes Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 15 Berrymoor Court, Northumberland Business Park, Cramlington, Northumberland, NE23 7RZ, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds are funds set aside by the Trustees out of unrestricted funds for specific future purpose or projects.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

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.

1.5 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.

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Fixtures and fittings	15% on cost
Computers	33% on cost

Freehold land and buildings are in constant use in furtherance of the charitable objectives and are maintained to a standard to ensure that their residual value is not less than the book value. Depreciation is therefore not provided on the basis that the assets have a very long useful life and the amount of any annual depreciation would be immaterial.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in profit and loss.

1.9 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.

1.10 Taxation

The charities activities fall within the exemptions afforded by the provisions of The Corporation Taxes Act 2010. Accordingly, there is no taxation charge in these accounts.

1.11 Retirement benefits

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

1.12 Short term debtors and creditors

Debtors and creditors with no interest rate which are receivable or payable within one year are recorded at transaction price. Any loss arising from impairment are recognised immediately in profit and loss.

2 Income from donations and legacies

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Donations and gifts	1,877	2,884
Grants	2,628	16,428
	4,505	19,312

3 Expenditure on charitable activities

	Residential care 2026 £	Residential care 2025 £
Direct costs		
Staff costs	4,217,598	3,816,044
Depreciation and impairment	27,203	29,182
Rates and water	50,757	28,916
Insurance	55,969	56,277
Light and heat	285,345	303,283
Telephone, stationery & advertising	28,989	36,282
Sundries	18,882	20,003
Food	289,616	284,802
China, utensils, linen and soft furnishings	22,136	13,949
Employment Agency	56,619	96,872
Repairs and maintenance	726,629	485,304
Gardening	31,298	16,346
Cleaning and waste disposal	84,994	80,489
Travel, subsistence and training	12,312	14,714
Legal and professional	4,765	5,446
Registration fees	20,856	20,849
Occupational therapy	23,115	24,766
	5,957,083	5,333,524
Share of support and governance costs (see note 4)		
Support	520,881	538,953
Governance	7,600	7,140
	6,485,564	5,879,617
Analysis by fund		
Unrestricted funds	6,485,564	5,879,617

4 Support costs allocated to activities

	Residential care 2026 £	Total 2025 £
Staff costs	434,711	454,421
Property expenses	34,104	37,183
Motor and travel costs	21,614	19,055
Legal and professional fees	6,784	8,215
Comunication and information	8,555	8,276
Office expenses	4,346	2,967
Bank charges	10,767	8,836
Governance	7,600	7,140
	528,481	546,093

5 Net movement in funds

	2026 £	2025 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	7,600	7,140
Depreciation of owned tangible fixed assets	27,086	28,949

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

The average monthly number of employees during the year was:

	2026 Number	2025 Number
Residential	159	161
Central management and administration	6	8
Total	165	169

7 Employees (Continued)

Employment costs

	2026	2025
	£	£
Wages and salaries	4,164,178	3,865,582
Social security costs	412,339	308,008
Other pension costs	75,792	96,875
	4,652,309	4,270,465

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2026	2025
	Number	Number
£60,001 to £70,000	-	1
£70,001 to £80,000	1	-
£90,001 to £100,000	-	1
£100,001 to £110,000	1	-

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2026	2025
	£	£
Aggregate compensation	268,075	253,579

8 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

9 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Computers	Total
	£	£	£	£
Cost				
At 1 April 2025	8,638,198	790,278	11,940	9,440,416
Additions	-	26,863	-	26,863
At 31 March 2026	8,638,198	817,141	11,940	9,467,279
Depreciation and impairment				
At 1 April 2025	163,293	699,136	11,940	874,369
Depreciation charged in the year	-	27,086	-	27,086
At 31 March 2026	163,293	726,222	11,940	901,455
Carrying amount				
At 31 March 2026	8,474,905	90,919	-	8,565,824
At 31 March 2025	8,474,904	91,142	-	8,566,046

10 Fixed asset investments

	Listed investments
	£
Cost or valuation	
At 1 April 2025	2,137,720
Additions	826,169
Valuation changes	151,677
Disposals	(146,810)
At 31 March 2026	2,968,756
Carrying amount	
At 31 March 2026	2,968,756
At 31 March 2025	2,137,720

11 Debtors

	2026	2025
Amounts falling due within one year:	£	£
Trade debtors	25,576	62,709
Prepayments and accrued income	72,010	69,273
	97,586	131,982

12 Creditors: amounts falling due within one year

	2026	2025
	£	£
Other taxation and social security	94,141	63,983
Trade creditors	59,591	88,276
Other creditors	39,284	19,031
Accruals and deferred income	241,395	230,560
	434,411	401,850

13 Retirement benefit schemes

Defined contribution schemes	2026	2025
	£	£
Charge to profit or loss in respect of defined contribution schemes	75,792	96,875

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

14 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2025	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2026
	£	£	£	£	£	£
Planned maintenance fund	394,416	-	(390,817)	140,674	-	144,273
Capital fund	8,566,046	-	-	(222)	-	8,565,824
General funds	4,659,574	7,206,535	(6,094,747)	(140,452)	158,280	5,789,190
	13,620,036	7,206,535	(6,485,564)	-	158,280	14,499,287

Previous year:	At 1 April 2024	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2025
	£	£	£	£	£	£
Planned maintenance fund	448,988	-	(182,363)	127,791	-	394,416
Capital fund	8,572,995	-	-	(6,949)	-	8,566,046
General funds	3,998,598	6,527,366	(5,697,254)	(120,842)	(48,294)	4,659,574
	13,020,581	6,527,366	(5,879,617)	-	(48,294)	13,620,036

15 Related party transactions

There were no disclosable related party transactions during the year (2025 - none).

16 Purpose of Designated Funds

The planned maintenance fund has been set aside out of the unrestricted funds by the Trustees for future planned maintenance costs at the homes. The capital fund represents the value of the functional fixed assets held by the charity, net of borrowing. The Trustees consider that these assets form the core assets from which the charity operates and therefore do not consider them to be available to fund the day to day activities of the charity.

17 Company Limited by Guarantee

Eothen Homes Limited is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amounts as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

18 Cash generated from operations

	2026	2025
	£	£
Surplus for the year	879,251	599,455
Adjustments for:		
Investment income recognised in statement of financial activities	(159,442)	(119,415)
Fair value gains and losses on investments	(158,280)	48,294
Depreciation and impairment of tangible fixed assets	27,688	29,182
Movements in working capital:		
Decrease/(increase) in debtors	34,396	(22,273)
Increase in creditors	32,561	16,077
Cash generated from operations	656,174	551,320

19 Analysis of changes in net funds

The charity had no material debt during the year.