COMPANY REGISTRATION NUMBER: 1953474
CHARITY REGISTRATION NUMBER: 517066

The Carningli Trust

Company Limited by Guarantee

Financial Statements

31 December 2025

The Carningli Trust

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2025

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The Carningli Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2025

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2025.

Reference and administrative details

Registered charity name	The Carningli Trust
Charity registration number	517066
Company registration number	1953474
Principal office and registered office	Panteg Llangynin Road St Clears Carmarthen Dyfed SA33 4JR
The trustees	D. M. Pickering (Appointed 22 May 2025) V. Arnall H. K. Coram A. E. Hancock J. L. Hancock K. J. May T.C. Brown W. Shipman
Auditor	Evens & Co Ltd Chartered Accountants & Statutory Auditor Hamilton House Hamilton Terrace Milford Haven Pembrokeshire SA73 3JP
Bankers	National Westminster Bank Plc 250 Regent Street London W1B 3BN
Solicitors	Darwin Bowie Solicitors 24 High Street Narberth Pembrokeshire SA67 7AR

Structure, governance and management

Nature of governing documents

The governing documents for the organisation are the Memorandum and Articles of Association lodged with Companies House. In accordance with Charity Commission requirements all directors are trustees and vice versa.

Recruitment and appointment of trustees

Induction and training of trustees

It remains the intention to recruit trustees/directors with the appropriate skills, and the usual pattern is still that potential trustees/directors should sit in for a minimum of 2 meetings prior to any election to become a voting member of the board. New trustees/directors are also able to attend externally provided trustees/directors training courses and have access to internal staff induction materials and training. There is no prescriptive training policy for new trustees/directors except that they are to be recruited as professional people capable of managing their own professional development and availing themselves of the external or internal training that they need.

Organisational structure

Decisions on policy direction, senior staff appointments and budget approval are made collectively at Board meetings of trustees/directors. The Operations Director/Responsible Individual delegates to the Operations Manager to support and guide the Registered Managers for each home the authority to make day to day operational management decisions. The management team operate within a set budgetary and policy framework agreed by the board and our regulatory partners.

As required by statute and regulation the Trust continues work in close liaison with the Local Authority Social Services and Health Boards responsible for placing the people we support. To date we do not have any privately funded contracts.

In 2018 Rev J. Hancock acted as the responsible individual in accordance with regulations until 6 July 2018 when Kerry May took over this role. Furthermore in March 2021 Rev J. Hancock handed over the strategic and financial responsibilities to Kerry May and took up the role of the Chair of the Board of Trustees in a non-executive position.

In August 2022 and continuing to date, the Trust alongside its regulator The Care Inspectorate Wales, agreed a change to the organisation structure. This was to introduce a new role of Operations Manager into the Senior Management Team, alongside the current Business & Finance Manager. Both work under the direct line management of the Operations Director/Responsible Individual.

In the latter part of 2024 the Trust introduced a prospective Trustee to the board and they attended the quarterly Trustee board meetings and were confirmed in post as a permanent Board of Trustee Member in March 2025. This is to strengthen the board capacity and maintain the balance of experience on the Board of Trustees.

The financial, employer and policy risks to which the organisation is exposed continues to be reviewed, mitigated and actioned after discussions at Board meetings. We continue to maintain a strong position in relation to working time and minimum wage case law. All our homes are permanently staffed by employees, who are paid above the Real living wage in Wales, to support minimal turnover and continuity of care in our homes. Additional staff are made available on an on-call basis for which they receive an on-call fee. If called to work these staff are then paid at least the Real living wage. All Operational obligations for the delivery of care & support, statutory health & safety, environment and fire risks are reviewed and mitigated by the actions taken daily/weekly/monthly by the Registered Managers and checked by the Operations Manager through our quality assurance processes. All contractors involved in maintaining these operational obligations are consulted with and managed within our financial/ budgetary capabilities by the Business & Finance Manager under the supervision of the Operations Director/ Responsible Individual. The Trust also has 24/7 access to professional advisors for any employment law and health & safety to ensure our practices are meeting all professional standards. They also provide vital support annually for the review

of our employee contractual terms and conditions and our suite of policies and procedures, so that we maintain all practices based on up to date employment and health & safety law.

Objectives and activities

Objects and aims

The main aim of the Carningli Trust is to enable vulnerable adults placed in the care of the organisation to enjoy fulfilling lives by achieving their full potential as members of society, whilst also being resident in a safe secure setting run or supported by an organisation which champions their fundamental human rights and dignity. Our plans and achievements for 2025 were:

1) To sustain a strong governance and adopt continuing improvements in both our regulatory care and administrative practices.

2) To continue to build trust and meet all our regulatory requirements through robust process of our own internal governance processes and external quality audits, inspections completed by our regulators and commissioners of our services.

3) To continue requesting sustainable increases in fees necessary to balance increasing demands on salary and other inflationary costs.

4) To work alongside Health Boards and Local Authority Commissioning to develop a stronger sense for the need for a unified Care Cost Model for transparency and cost efficiencies that will support a fairer annual fee review process. In observation that 4 (out of 7) Local Authorities continue to operate outside of a generally accepted fee rate.

5) To further increase the financial surplus. The financial surplus to be used:

- To enhance the capability of the organisation to meet the principal objectives: both to a higher standard and to a greater extent in terms of continuing to represent the wider interests of ageing vulnerable adults.

- To continue to invest in property improvements which will include adapting our environments to cater for change in need.

- To invest in "Green Energy" solutions so that our homes can operate more efficiently, effectively and economically, when costs for utilities continues to be affected by global changes.

- Investments continue in our staff training and remuneration program, where we continue to benchmark across our sector and introduce additional increases throughout the year where possible.

- To invest any financial surplus through consultation with our Regional Business Banking Manager.

- To create and review our Emergency Operating Reserve (EOR).

- To sustain our vision of being recognised as a provider of excellent care & support to those who reside at our homes; whilst also investing financially in any way to improve our ability to evolve and adapt for any ageing adults with increasing/ changing needs.

- To seek to influence the direction of policy and practice in the procurement and provision of care for adults with learning difficulties.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

During 2025 our achievements were :

1) We maintained strong governance arrangements for our Internal Quality Assurances processes, which have maintained clear continuous improvements in both care and administrative practices that have met with all our regulatory requirements.

2) Maintained excellent quality ratings from both NHS audits (CCAPS), Local Commissioning Audits and CIW inspections and Local Authority Commissioning Reviews. In doing so receiving recognition from CIW for "Practice Worth Sharing" award for Adult Services in Wales.

3) We continued to work with local authorities to ensure the correct levels of support were in place to meet individual needs. Whilst we sustained a loss of a substantial individual contract as income early in 2025, we were able to secure an additional placement in the later part of 2025.

4) The work achieved in 2025 to maintain financial security, was a result of no cuts to any commissioned packages of support. The financial pressures faced by our funders both locally and nationally, have resulted in scrutiny of every budget line in commissioned packages held by the Trust, all of which were maintained.

5) We received a rate of inflationary increases with all commissioned packages and chose to work with 2 authorities who were lacking the formal models on which to review costs more efficiently and were successful in negotiating a higher inflationary increase for 2025/26 financial year

6) Mandatory training programs and the development of staff through qualifications and CPD continued throughout 2025. We continue to use remote/ online courses successfully and continue to provide more enhanced and face-to-face training. Due to funding, there has been a distinct change in the availability and accessibility of training previously provided by the commissioners of our services. However, the Trust has continued to demonstrate its commitment to having a trained and effective workforce.

7) There was no financial borrowing in 2025 therefore securing the long-term financial status of the Trust. Budgets and the financial reserves for 2025 were monitored closely throughout the year by the Trusts Operations Director and Finance & Business Manager and reviewed during the Quarterly Trustee Meeting.

Financial review

The financial performance in 2025 has been good, primarily due to extensive negotiations with 2 commissioners of our services to maintain our revenue source. Unrestricted funds have seen an increase in 2025 to £3,385,620 from £3,282,613 in 2024. Whilst there was an increase in revenue, pressure on local authority budgets results in an annual, complex process each year to sustain the annual increase in line with inflationary costs.

Increases in maintaining the Real Living Wage and National Insurance Contribution costs for our workforce continue to challenge the Trusts largest budget. We may also see future increases future payroll costs due to changes with the Statutory Sick Pay Scheme in 2026. Staff/ Payroll costs saw an increase of £116,831 in 2025 compared to a rise of £86,878 in 2024. Of that increase, we saw a substantial increase in costs for NIC from 7.3% in 2024 to an increase of 33% in 2025.

In summary, the net surplus from £192,731 in 2024 to £103,006 in 2025 represents a decrease of -46%. Our margins on total revenue were a respectable 5.4% for 2025. However, if we take our margins based only on incoming revenue from our commissioning contracts (no investment income) our surplus decreases to a margin of £77,002 which is reflective of a margin of 4% for 2025.

With anticipated changes that had been communicated to the Trust from our Main commissioners for the next financial year 2026/27, we remain strong on setting our fee/ cost structures for the next financial year and will enter this period with firm financial footing. Although, it remains our policy to try to agree fees including a reasonable market level margin so as not to undercut the market. We also want to work with commissioners to develop a roadmap for reinvesting these charitable funds.

Reserves policy

The trustees believe that the charity should hold financial reserves (the "Emergency Operating Reserve" - EOR) because:

1) It has no endowment funding and is entirely dependent on contracts and service level agreements from year to year which is inevitably subject to fluctuation;

2) It requires protection against, and the ability to continue operating despite, catastrophic or lesser damaging events.

The trustees believe that the minimum level of the EOR should be the equivalent of half a year's operating cost. From 2025 accounts half a year's expenditure amounts to £897,900. At Dec 2025 cash at bank was £1,267,320. This leaves circa £380k available for capital expenditure on building developments and green energy investments.

Financial instruments

The Trust's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the Trust's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The Trust does not use derivative financial instruments for speculative purposes.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

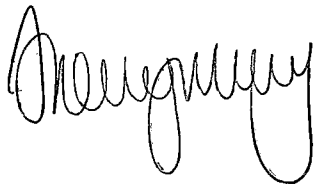
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 29 September 2026 and signed on behalf of the board of trustees by:



K. J. May
Trustee

Opinion

We have audited the financial statements of The Carningli Trust (the 'charity') for the year ended 31 December 2025 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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, including FRS 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 charity's affairs as at 31 December 2025 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;
- have been prepared in accordance with the requirements of the Companies Act 2006 and 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 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. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 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 trustees' responsibilities statement, the trustees (who are also the directors for the purposes 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 charity 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Inquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;

- Reviewing minutes of meetings of those charged with governance;

- Assessing the extent of compliance with laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through inquiry and inspection;

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;

- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http:/www.frc.org.uk/auditorsresponsibilities. This description forms a part of our auditor's report.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Bruce Evens BA FCA (Senior Statutory Auditor)

For and on behalf of
Evens & Co Ltd
Chartered Accountants & Statutory Auditor
Hamilton House
Hamilton Terrace
Milford Haven
Pembrokeshire
SA73 3JP

29 September 2026

The Carningli Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2025

	Note	2025 Unrestricted funds £	2025 **Total funds** £	2024 Total funds £
Income and endowments				
Charitable activities	**5**	1,869,139	**1,869,139**	1,818,825
Other trading activities	**6**	2,768	**2,768**	3,677
Investment income	**7**	26,004	**26,004**	30,216
Other income	**8**	–	–	1,773
Total income		1,897,911	**1,897,911**	1,854,491
Expenditure				
Expenditure on charitable activities	**9,10**	(1,794,905)	**(1,794,905)**	(1,661,760)
Total expenditure		(1,794,905)	**(1,794,905)**	(1,661,760)
Net income and net movement in funds		103,006	**103,006**	192,731
Reconciliation of funds				
Total funds brought forward		3,282,614	**3,282,614**	3,089,883
Total funds carried forward		3,385,620	**3,385,620**	3,282,614

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 14 to 21 form part of these financial statements.

The Carningli Trust

Company Limited by Guarantee

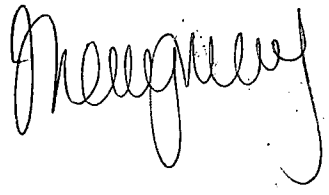
Statement of Financial Position

31 December 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible fixed assets	**15**	**2,008,493**	2,052,441
Current assets			
Debtors	**16**	**70,164**	54,669
Cash at bank and in hand		**1,418,537**	1,267,320
		1,488,701	1,321,989
Creditors: amounts falling due within one year	**17**	**(74,564)**	(53,848)
Net current assets		**1,414,137**	1,268,141
Total assets less current liabilities		**3,422,630**	3,320,582
Creditors: amounts falling due after more than one year	**18**	**(37,010)**	(37,968)
Net assets		**3,385,620**	3,282,614
Funds of the charity			
Unrestricted funds		**3,385,620**	3,282,614
Total charity funds	**21**	**3,385,620**	3,282,614

These financial statements were approved by the board of trustees and authorised for issue on 29 September 2026, and are signed on behalf of the board by:

K. J. May
Trustee



The notes on pages 14 to 21 form part of these financial statements.

The Carningli Trust

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2025

	2025 £	2024 £
Cash flows from operating activities		
Net income	**103,006**	192,731
Adjustments for:		
Depreciation of tangible fixed assets	**59,096**	59,311
Other interest receivable and similar income	**(26,004)**	(30,216)
Interest payable and similar charges	**3,275**	3,085
Gains on disposal of tangible fixed assets	**–**	(1,773)
Changes in:		
Trade and other debtors	**(15,495)**	1,930
Trade and other creditors	**19,758**	(34,896)
Cash generated from operations	**143,636**	190,172
Interest paid	**(3,275)**	(3,085)
Interest received	**26,004**	30,216
Net cash from operating activities	**166,365**	217,303
Cash flows from investing activities		
Purchase of tangible assets	**(15,148)**	(96,590)
Proceeds from sale of tangible assets	**–**	3,000
Net cash used in investing activities	**(15,148)**	(93,590)
Net increase in cash and cash equivalents	**151,217**	123,713
Cash and cash equivalents at beginning of year	**1,267,320**	1,143,607
Cash and cash equivalents at end of year	**1,418,537**	1,267,320

The notes on pages 14 to 21 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Panteg, Llangynin Road, St Clears, Carmarthen, Dyfed, SA33 4JR.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The trustees consider that there are no material uncertainties about The Carningli Trust's ability to continue as a going concern.

Residents accounts held on trust

The charity holds a number of accounts on trust for the benefit of specific residents. The balance on each account belongs to the individual resident and is simply administered by the charity. On that basis, the balances have been excluded from the charity's Statement of Financial Position as the trustees are of the opinion that this more fairly reflects a true statement of the charity's affairs.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income tax

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

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

3. **Accounting policies** *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the Trust, it is probable that the economic benefits associated with the transaction will flow to the Trust and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2% straight line and 15% reducing balance
Plant & machinery	-	15% reducing balance
Motor vehicles	-	15% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable aminveount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Limited by guarantee

The company is limited by guarantee and therefore does not have any share capital.

Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the Trust in the event of liquidation.

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2025 £**	Unrestricted Funds £	Total Funds 2024 £
Assistance of vulnerable adults	1,869,139	**1,869,139**	1,818,825	1,818,825

6. Other trading activities

	Unrestricted Funds £	**Total Funds 2025 £**	Unrestricted Funds £	Total Funds 2024 £
Other income from other trading activities	1	**1**	1,161	1,161
Property rental income	1,786	**1,786**	1,508	1,508
Government grants receivable	981	**981**	1,008	1,008
	2,768	**2,768**	3,677	3,677

7. Investment income

	Unrestricted Funds £	**Total Funds 2025 £**	Unrestricted Funds £	Total Funds 2024 £
Bank interest receivable	26,004	**26,004**	30,216	30,216

8. Other income

	Unrestricted Funds £	**Total Funds 2025 £**	Unrestricted Funds £	Total Funds 2024 £
Gain on disposal of tangible fixed assets held for charity's own use	–	**–**	1,773	1,773

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	**Total Funds 2025 £**	Unrestricted Funds £	Total Funds 2024 £
Assistance of vulnerable adults	200,025	**200,025**	190,435	190,435
Depreciation, amortisation and other similar costs	59,096	**59,096**	59,311	59,311
Staff costs	1,516,679	**1,516,679**	1,399,848	1,399,848
Support costs	19,105	**19,105**	12,166	12,166
	1,794,905	**1,794,905**	1,661,760	1,661,760

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2025 £**	Total fund 2024 £
Assistance of vulnerable adults	200,025	–	**200,025**	190,435
Depreciation, amortisation and other similar costs	59,096	–	**59,096**	59,311
Staff costs	1,516,679	–	**1,516,679**	1,399,848
Governance costs	–	19,105	**19,105**	12,166
	1,775,800	19,105	**1,794,905**	1,661,760

11. Net income

Net income is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation of tangible fixed assets	**59,096**	59,311
Gains on disposal of tangible fixed assets	**–**	(1,773)

12. Auditors remuneration

	2025	2024
	£	£
Fees payable for the audit of the financial statements	**15,830**	9,081

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025	2024
	£	£
Wages and salaries	**1,335,866**	1,258,943
Social security costs	**153,923**	115,672
Employer contributions to pension plans	**26,890**	25,233
	1,516,679	1,399,848

The average head count of employees during the year was 48 (2024: 47). The average number of full-time equivalent employees during the year is analysed as follows:

	2025	2024
	No.	No.
Number of employees	**47**	46
Number of trustees	**1**	1
	48	47

The number of employees whose remuneration for the year fell within the following bands, were:

	2025	2024
	No.	No.
£70,000 to £79,999	**1**	1

14. Trustee remuneration and expenses

During the year the Trust made the following transactions with trustees:

K. May

K. May received remuneration of £72,364 (2024 - £68,953), employers national insurance of £9,776 (2024 - £8,260), employers pension contributions of £1,321 (2024 - £1,321) were paid in respect of the salary. Monies are paid to K. May as Director of Operations. As an employee K. May is entered into the company pension scheme.

15. Tangible fixed assets

	Freehold property £	Plant & machinery £	Motor vehicles £	**Total £**
Cost				
At 1 January 2025	2,493,813	107,397	68,564	**2,669,774**
Additions	15,148	–	–	**15,148**
At 31 December 2025	2,508,961	107,397	68,564	**2,684,922**
Depreciation				
At 1 January 2025	476,922	88,562	51,849	**617,333**
Charge for the year	50,405	3,151	5,540	**59,096**
At 31 December 2025	527,327	91,713	57,389	**676,429**
Carrying amount				
At 31 December 2025	1,981,634	15,684	11,175	**2,008,493**
At 31 December 2024	2,016,891	18,835	16,715	2,052,441

16. Debtors

	2025 £	2024 £
Other debtors	**70,164**	54,669

Other debtors includes an amount of £nil (2024 - £nil) falling due after more than one year.

17. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	**683**	543
Other creditors	**73,881**	53,305
	74,564	53,848

18. Creditors: amounts falling due after more than one year

	2025 £	2024 £
Accruals and deferred income	**37,010**	37,968

Included within creditors: amounts falling due after more than one year is an amount of £33,354 (2024: £34,246) in respect of liabilities payable or repayable otherwise than by instalments which fall due for payment after more than five years from the reporting date.

The bank facilities are secured by a fixed charge over the freehold properties known as The Minstrels, Backe Road, St Clears and Clayford Farm, Clayford Lane, Wiston. The security is held by National Westminster Bank PLC.

19. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £26,890 (2024: £25,233).

20. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2025	2024
	£	£
Recognised in creditors:		
Deferred government grants due after more than one year	**37,010**	37,968

21. Analysis of charitable funds

Unrestricted funds

	At 1 January 2025	Income	Expenditure	**At 31 December 2025**
	£	£	£	**£**
General funds	3,282,614	1,897,911	(1,794,905)	**3,385,620**

	At 1 January 2024	Income	Expenditure	At 31 December 2024
	£	£	£	£
General funds	3,089,883	1,854,491	(1,661,760)	3,282,614

22. Analysis of net assets between funds

	Unrestricted Funds	**Total Funds 2025**
	£	**£**
Tangible fixed assets	2,008,493	**2,008,493**
Current assets	1,488,701	**1,488,701**
Creditors less than 1 year	(74,564)	**(74,564)**
Creditors greater than 1 year	(37,010)	**(37,010)**
Net assets	3,385,620	**3,385,620**

	Unrestricted Funds	Total Funds 2024
	£	£
Tangible fixed assets	2,052,441	2,052,441
Current assets	1,321,989	1,321,989
Creditors less than 1 year	(53,848)	(53,848)
Creditors greater than 1 year	(37,968)	(37,968)
Net assets	3,282,614	3,282,614

23. Analysis of changes in net debt

	At 1 Jan 2025	Cash flows	**At 31 Dec 2025**
	£	£	**£**
Cash at bank and in hand	1,267,320	151,217	**1,418,537**