Registered number: 28282R

WEST CUMBRIA CARE AND SUPPORT
KNOWN AS WEST HOUSE

BOARD MEMBERS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

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Accountants, Business & Financial Advisers

WEST CUMBRIA CARE AND SUPPORT

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WEST CUMBRIA CARE AND SUPPORT

REFERENCE AND ADMINISTRATIVE DETAILS OF THE SOCIETY, ITS BOARD MEMBERS AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2026

Board Members	Mr F Clark, Co-chair Mr D Hine Mr M Sykes Mrs C Tibble Mrs Chadwick Mrs K Wilson Mrs T Sparke Mr L Hanlon, Co-chair Mr J Cox, Secretary Mr J Ferguson Mr L Weldon Mr M Blair Mr D Myerscough
Society registered number	28282R
Registered office	26 Stanley Street Workington Cumbria CA14 2JD
Independent auditors	Armstrong Watson Audit Limited Chartered Accountants and Statutory Auditors Montgomery Way Rosehill Industrial Estate Carlisle Cumbria CA1 2UU

WEST CUMBRIA CARE AND SUPPORT

BOARD MEMBERS' REPORT
FOR THE YEAR ENDED 31 MARCH 2026

The Board Members present their annual report together with the audited financial statements of the Society for the 1 April 2025 to 31 March 2026. The Annual report serves the purposes of both a Board Members' report and a directors' report under company law. The Board Members confirm that the Annual report and financial statements of the society comply with the current statutory requirements, the requirements of the society's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The Society also trades under the name West House.

Objectives and activities

a. Policies and objectives

The Society's objects are to carry on any trade, industry or business for the benefit of the community by advancing the education and promoting the relief of people with disabilities and other infirmities of mind or body, especially learning disabilities in the County of Cumbria and adjoining areas. The Board members have paid due regard to guidance issued by the Charity Commission in deciding what activities the society should undertake.

b. How Our Services Deliver Public Benefit

IWest House exists to deliver practical, everyday public benefit for people with learning disabilities and other needs across West Cumbria and Carlisle. This year that public benefit has been delivered in two ways at once: through the reliability of our core support services (homes, supported living and short breaks), and through the wider opportunities we create that help people take part, contribute and thrive in their communities.

Our offer continues to include small residential group homes, domiciliary support through supported living, and a growing range of community-based activities and employment-related opportunities. We remain committed to accepting referrals across a broad range of needs, and to responding positively where we are the best-placed provider and where services can be delivered safely and sustainably. This year we also continued to rely on partnership working as a key route to public benefit, especially with housing partners and local agencies, because it is through those partnerships that bespoke accommodation and specialist opportunities become possible.

c. Quality

Quality work this year has been practical and grounded: improving day to day practice, strengthening audit and oversight, and using data more consistently to spot patterns early and prevent harm. Across safeguarding, regulatory compliance and internal assurance activity, the organisation has focused on building a culture where concerns are recorded, reviewed, learned from and acted on, rather than minimised or hidden.

d. Safeguarding and learning culture

Safeguarding activity has continued to be monitored in detail, with organisation wide reporting that reflects both transparency and early intervention. The annual safeguarding position for 2025 recorded 369 safeguarding alerts/referrals across the year, with a predominance of lower level concerns being captured and reviewed early, reinforcing a prevention and learning approach.

That learning culture continued into 2026, with specific analysis for March–April 2026 reporting 56 safeguarding alerts/referrals in that period and describing the profile as consistent with recording and review before issues escalate into more significant harm.

Objectives and activities (continued)

e. Compliance and external scrutiny

A key quality milestone has been the way supported living contract compliance developed over time. The organisation first received an outcome that highlighted clear improvement need, particularly around recording, supervision and training visibility, but sustained follow up work led to a strong improvement position later in the year. In the Local Authority supported living audit summary, compliance improved from 67% (Amber) to 92% (Blue), alongside exceptionally positive feedback on person centred practice.

Children's services quality was also tested more than once during the year, including repeat inspection activity. The organisation reported that The Elms continued to perform well in inspection processes and maintained a 'Good' position, reflecting the stability of practice despite the pressure of unexpected external scrutiny.

f. Internal audit and continuous improvement

Internally, the organisation strengthened its audit rhythm, spanning health and safety, QA audits, finance audits and fire risk assessment activity. This included recognising recurring issues (such as inconsistencies in file structures, gaps in checks, and dependency on third parties for certificates) and responding by tightening documentation approaches and creating clearer templates and expectations for managers.

Achievements and performance

a. Introduction

This year's performance story is not just about growth; it is about the organisation steadily improving its grip on the fundamentals that allow growth to remain safe and sustainable: financial controls, debt recovery, workforce capacity, and reliable reporting.

Financial resilience and improving controls

Financially, the organisation has continued to operate in a context of shrinking margins and rising staffing costs, while still maintaining stability and planning for ongoing investment. Budget and board reporting shows a strong emphasis on maintaining viable margins, understanding the real drivers of cost, and ensuring service-level sustainability is visible, especially where some service areas are structurally tighter than others.

The year also included a period of significant learning following a serious fraud incident affecting service-level accounts. The organisation recorded the incident, ensured that people supported were protected from financial loss, and introduced additional security measures and tighter access controls as part of the response.

Debt recovery and stronger financial position

A major performance improvement highlighted during this period has been the reduction in trade debtors, falling from £1.3m to £0.95m through sustained recovery work, an important shift in organisational resilience and cashflow stability.

Workforce progress and organisational capacity

Performance this year has also been influenced by the organisation's continued effort to stabilise staffing. Improvements in training governance and workforce oversight, alongside ongoing recognition that some services remain hotspots and require targeted support. The organisation also continued to strengthen succession planning through leadership and operational role changes.

Achievements and performance (continued)

b. Development of Services

During the year, West House continued to develop services across residential care, supported living, community activities, children's services and enterprises. What links these developments is a consistent theme: responding to real need while trying to ensure that services remain stable, safe and financially viable.

Residential Care

Residential services continued to focus on strengthening occupancy and stability. The organisation recognised that changing contractual arrangements, particularly around voids, made it even more important to maintain full occupancy and ensure good referral pathways. Operational updates show continued emphasis on planned transitions and building the right support around individuals moving into placements, including multi disciplinary input and tailored risk management.

Supported Living

Supported living remained a high demand service area, with the organisation continuing to develop and open new provision where needed, and working with housing partners to create more appropriate, bespoke accommodation options. At the same time, supported living quality and contract compliance became an area of strong organisational learning: early audit findings drove improvement action, and those improvements were sustained and evidenced later through significantly higher compliance outcomes.

Community Activities

Community Activities continued to grow as a key pathway into independence, inclusion and meaningful participation. The service maintained a broad offer, from individual outreach support through to group activities, education pathways, and supported holidays, while also expanding partnerships that bring people into visible roles within their community.

A particularly important development was the expansion of Catherine Mill. Work to increase capacity and improve the suitability of the environment for people needing quieter or more individualised spaces progressed during spring 2026, reflecting the organisation's continued focus on meeting complex needs outside of institutional settings.

Children's Services

Children's services maintained contract continuity and strengthened leadership capacity while navigating repeat inspection activity. The organisation reported that The Elms continued to deliver well and that contract arrangements extended forward, supporting stability for children and families relying on short breaks.

Enterprises

Enterprises were one of the most visible development stories of the year. Early in the year, café and enterprise planning focused on improving sustainability through clearer operational discipline, better financial visibility, and stronger business planning, while keeping the social purpose (skills, confidence and progression for people supported) at the centre.

The defining enterprise milestone was Hall Garden. After delays linked to the main contractor, the project reached completion and the site officially opened in early May 2026. A soft opening welcomed staff, people supported, and families first, before the public launch. Early trading was described as extremely busy, and the site quickly became a focal point for community connection and enterprise activity.

BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2026

Financial review

a. Overview

Financially, the organisation has continued to operate in a context of rising costs and tight commissioning conditions, meaning margin discipline and cashflow protection have remained central to sustainability. A core focus has been strengthening the organisation's ability to see and respond early to risk, through clearer reporting, stronger debt recovery processes, and improved service-level visibility.

Debt reduction has been a major part of that resilience. AGM reporting described trade debtors reducing from £1.3m to £0.95m, demonstrating the impact of structured recovery and escalation activity. Through the year debt remained as a priority area under audit scrutiny and governance focus.

Board-level finance reporting also reflected continued operating stability with increased emphasis on summary cover papers and strategic interpretation to manage the growing complexity of information.

For the year ending 31 March 2026, total unrestricted income was £13,724,184; an 11% increase compared to 2025. Total unrestricted expenditure was £13,264,804; a 10% increase compared to 2025. This resulted in net unrestricted income of £459,380, this is compared to £288,938 in the previous year. Unrestricted expenditure includes £89,802 of depreciation on the Hall Garden development. This cost is separate from the cost of the societies underlying activities and represents the writing down of grant income recognised in full on receipt with the balance held as a designated fund.

b. Reserves policy

It is the policy of the society that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Board members considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the society's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The management board's aim is to maintain a sufficient general free reserve to enable the organisation to manage through any identified potential funding fluctuations and/or other disruptive variances in delivery. A full analysis of unrestricted, designated and restricted funds is included in Note 20 of the Financial Statements.

Designated funds amounting to £4,101,597 have been provided for which relates to the value of the freehold properties and leasehold property improvements. Although West House has the ability to sell the freehold properties to generate funds, it is felt that these funds are not readily available for West House to use to meet its day to day operational costs and are therefore shown separately.

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

c. Plans for future periods

Looking ahead, the organisation's plans are rooted in what has been learned this year: where systems need to be simpler, where services need stronger foundations, and where investment has the greatest impact for people.

Consolidating progress at Hall Garden and enterprises

The immediate priority is to build on the strong start at Hall Garden, embedding reliable operating procedures and ensuring that early trading momentum translates into a sustainable, well managed model. In parallel, work continues on improving café sustainability through more disciplined pricing, clearer KPIs and better operational efficiency, while protecting the social value at the heart of the offer.

Expanding service capacity where demand is greatest

Community Activities remains a key growth area, with expansion work at Catherine Mill intended to increase capacity and improve the suitability of environments for people with more complex needs.

Contract continuity provides a platform for stability and growth: children's residential respite at The Elms was extended to March 2027, and adult short breaks at Home Farm was extended to summer 2027, giving a stronger basis for planning and workforce stability.

Strengthening systems and reducing administrative burden

A clear future theme is making it easier for staff to deliver good support by reducing duplication and improving how information is shared and managed. The rollout of the West House Hub intranet continues, and the I-Planit system's use is expanding into Community Activities with a next phase planned around Health Action Systems.

Alongside this, system development and investment priorities have included finance system replacement planning and potential consideration of additional QA technology to centralise audits and reporting, subject to organisational affordability and approval.

Strategic priorities and organisational direction

The organisation has also moved into the next strategic cycle: leadership review work resulted in an updated mission statement and refocused strategic priorities for the next 24 months, approved by the board.

d. Pension Liabilities

IIn accordance with Charities Statement of Recommended Practice (SORP) West House regularly review our financial position in relation to pension liabilities within our annual reports. The pension information provided in the accounts allows for analytical review of both our current pension scheme contribution rates and long-term liabilities.

West House provides a defined benefit pension through the Local Government Pension scheme. Defined benefit schemes offer employees a specified pension based on their length of service and their salary. Employers therefore have to ensure that the contributions to their schemes are sufficient to provide the benefits that their employees are entitled to, based on actuarial advice. The risk in defined benefit schemes is borne primarily by the employer and it is these schemes that may report deficits.

Every three years a more comprehensive actuarial review of the scheme and member organisations liabilities is undertaken. As part of this process West House are provided with advice regarding our levels of contribution and in particular the level of additional contributions required to meet our pension liabilities. Following the most recent triannual review to 31 March 2025 we have been advised that from April 2026 our contribution levels will decrease to 17.8% (previously 18.5%). Also due to a more favourable assessment of our assets and liabilities, which now result in a surplus overall, we will have negative secondary contributions, meaning for the 2026/27 period the overall employer contributions will be reduced by £165,700.

Following an independent review of our long-term pension liabilities the Management Board took the decision in July 2017 to cease offering Local Government Pension Scheme membership to new employees, whilst keeping the scheme open to all staff employed prior to this date. It is hoped that by reducing our membership over the long-term West House will be able to continue to manage and meet its pension liabilities and offer staff affordable pension options.

Structure, governance and management

a. Overview

Governance this year continued to evolve in a deliberate way: moving from simply "receiving reports" to building clearer structures that help the board focus on assurance, performance and strategic direction.

The Management Board maintained an active cycle of meetings, supported by a developing subgroup structure covering key areas such as finance, people/HR, quality and practice, and community activities/enterprises. This structure has been used to deepen scrutiny, improve the consistency of reporting, and ensure that board discussions link to outcomes rather than just activity.

Board processes also remained strong in the fundamentals: maintaining constitutional arrangements around elections and rotation, and planning for AGM processes in line with the organisation's governing rules.

Operationally, the organisation continued to strengthen consistency through improved reporting templates and audit scheduling, with a focus on making sure services are supported to address issues rather than simply being "judged" on them.

In September, during the first board meeting following the AGM, Fraser Clark and Mark Sykes were appointed as Co-Chairs of the board, and James Cox was re-elected as Company Secretary.

The Senior Management Team comprises:
Mr J Cox (Chief Executive)
Mrs L Reid (Operations Director)
Mr A Scott (Operations Director)
Mrs N Merrett (People Director)
Ms K Winrow (Commercial Director)

The Board members who served during the year and up to the date of signature of the financial statements were:
Mr F Clark (Co-Chair)
Mr D Hine
Mr M Sykes (Co-Chair from Sept 2025)
Mrs C Tibble
Mrs K Wilson
Mrs T Sparke
Mr L Hanlon (Co-Chair until July 2025)
Mr J Cox (Secretary)
Mrs R Chadwick
Mr J Ferguson
Mr L Weldon
Mr M Blair
Mr D Myerscough

Structure, governance and management (continued)

b. Recruitment and appointment of a Management Board

West House is a membership organization open to anyone who supports our mission and aims, provided they are not an employee. Following the adoption of new rules, the organization now has three classifications of members: Service Users, Family and Carers, and Supporters. Individuals may apply to the Management Board to become members of West House. If their application is successful, they receive a share certificate for the non-returnable sum of one pound.

The Management Board is responsible for governing the organization. As of April 1, 2021, the rules state:

Rule 31: The Society shall have a Board comprising not less than three and not more than twelve persons. The initial Board of the Society, from incorporation until the first Annual General Meeting, shall be appointed by the Founder Members. Following the first Annual General Meeting, the Board shall comprise:

- Not more than three members nominated by Service User members
- Not more than three members nominated by Family and Carer members
- Not more than three members nominated by Supporter Members
- Not more than three co-opted members in accordance with Rule 34

Rule 34: The Board may at any time co-opt any member of the Society or the representative of an organization which is a member to fill a casual vacancy in the Board, provided that at no time shall more than one-third of the members of the Board be co-opted members. A casual vacancy shall be deemed to exist if the number of Board members should drop below the maximum prescribed in these Rules.

At each Annual General Meeting, one-third of the Board, or if their number is not three or a multiple of three, the number nearest to one-third, must retire from office. If there is only one member, he or she must retire. The members to retire by rotation shall be those who have been longest in office since their last appointment. The Management Committee may co-opt any members to serve on the Committee. All Management Committee members are unpaid.

A central ethos of the organization is that people with learning disabilities should be fully included in all decision-making processes. To enable this at the most senior level, West House has actively recruited members with learning disabilities who are willing and able to serve as Management Board members, supported in this role by independent persons/advocates.

Members of the Board elect two Co-Chairs and a Secretary of the Society from among their own number. At all times, one of the Co-Chairs shall be a Service User member.

The organisation has further enhanced the pool of members available for selection to the Management Board by identifying potential new members and supporting both Service User and Family Carer Forum meetings. Current membership comprises 21 Service User members, 27 Family and Carer members, and 27 Supporter members.

Structure, governance and management (continued)

c. Organisational structure

The Management Board typically meets six times a year and is responsible for setting the strategic direction and policies of the organization, as well as monitoring their effectiveness. The Chief Executive Officer (CEO) serves as Secretary to the Board. The Annual General Meeting is usually held in July each year, following the approval of the draft accounts by the Management Board.

The Senior Management Team comprises the CEO, Commercial Director, People Director, and two Operations Directors. The CEO is accountable for the overall performance of the organisation, ensuring it meets its key objectives and remains viable. The Operations Directors, supported by a team of five Operations Managers, ensure operational effectiveness across all services. Staff are organized into service teams within each operational area; supported living, community activities, enterprises, residential care, and children's services—with a clear system of supervision to ensure accountability.

Operations are further supported by dedicated finance/administration and Human Resources teams, led by the Commercial Director and People Director. Our head office in Workington also houses our staff training facilities. Our internal quality processes, managed by the Operations Managers, aim to enhance operational and practice standards and ensure consistency across all services. The resulting audit reports are shared with the Care Quality Commission and the Management Board

d. Board Members Induction and Training

Upon taking up their positions, Management Board Members are provided with an Induction Pack detailing the work of the organization, its structure, and the responsibilities of board members. As part of their induction process, new members meet with existing members and Co-Chairs. During this meeting, the Chief Officer explains the responsibilities of board members and explores the relationship between individual members, the board, and executive staff. This meeting also provides an opportunity for new members to ask questions about the organisation's operations.

The information provided to new members includes:
- Documents outlining the operational framework of the organization, including the Rule of West Cumbria Care and Support
- The duties and responsibilities of Management Board Members
- The latest published accounts and current financial information
- The current Business Plan
- Minutes and papers from the previous two Management Board meetings
- A copy of the "Good Trustee Guide" – a resource pack produced by NCVO

The Management Board boasts an excellent combination of experience, skills, and backgrounds. Throughout the year, workshops were held to develop the skills of the Board and provide time for reflection on its effectiveness.

Structure, governance and management (continued)

e. Supplier payment policy

The Society's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The Society's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the Society at the year end were equivalent to 14 day's purchases, based on the average daily amount invoiced by suppliers during the year.

f. Equal Opportunities

At West House, we are committed to treating everyone fairly, regardless of age, race, colour, religion, gender, marital status, sexual orientation, belief, or disability. Our dedication to promoting diversity is embedded in our policies and procedures, which are designed to support this objective.

This commitment is reflected in our recruitment and selection processes, as well as through our comprehensive training programs. We actively raise awareness among our staff about the importance of promoting the interests of underrepresented groups. To ensure our practices remain effective and inclusive, we continuously review our employment policies to support and encourage diversity.

Our selection procedure for internal promotions mirrors that of our recruitment process. Candidates are evaluated based on their abilities, qualities, and potential to meet the requirements of the post. West House is dedicated to fostering a diverse and inclusive environment within the organisation.

Furthermore, West House is proud to be part of the government's Disability Confident Scheme. This commitment underscores our dedication to ensuring that disabled people and those with long-term health conditions have the opportunities to fulfil their potential and realize their aspirations.

Structure, governance and management (continued)

g. Communication

West House has developed a Communication Charter that serves as a guide for everyone within the organization, highlighting our collective responsibilities to communicate effectively with one another. We recognize that communication can be challenging, and when problems arise, we work together to create positive changes for the future.

Our Communication Charter states:

- "Everyone has a voice and that should be heard" - *Claire Moore*. We all need to support and encourage each other to communicate and work to overcome barriers.
- Everyone must take responsibility for effective communication.
- Individuals commit to using the tools provided and reporting any issues.
- Every service must have a representative at the Support Worker Forum.
- Everyone should RSVP to events and invitations from colleagues or people we support at West House and actively promote these events.
- We all commit to attending and facilitating team meetings.
- Every service needs to contribute to project groups in some way, such as health & wellbeing, recruitment, and communication.
- We all commit to using our initiative.
- The organization commits to providing the right tools and policies to support effective communication.
- Every service must have a working device for communication, photos, policies, email, and intranet.

By adhering to these principles, we aim to foster a culture of open, supportive, and effective communication throughout West House.

Statement of Board Members' responsibilities

The Board Members (who are also the directors of the Society for the purposes of company law) are responsible for preparing the Board Members' 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 Board Members to prepare financial statements for each financial . Under company law, the Board Members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Society and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Board Members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Society will continue in business.

The Board Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Co-Operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2026

Disclosure of information to auditors

Each of the persons who are Board Members at the time when this Board Members' report is approved has confirmed that:

- so far as that Board Member is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Board Member has taken all the steps that ought to have been taken as a Board Member in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Armstrong Watson Audit Limited, have indicated their willingness to continue in office. The designated Board Members will propose a motion reappointing the auditors at a meeting of the Board Members.

Approved by order of the members of the board of Board Members and signed on their behalf by:

....
Mr F Clark (Co-chair)
Board member
Date:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST CUMBRIA CARE AND SUPPORT

Opinion

We have audited the financial statements of West Cumbria Care and Support (the 'society') for the year ended 31 March 2026 which comprise the Statement of financial activities, the Balance sheet, the 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 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 Co-Operative and Community Benefit Societies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Board Members' 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 charitable company'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 Board Members with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST CUMBRIA CARE AND SUPPORT (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Board Members 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.

Opinion on other matters prescribed by the Act

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

- the information given in the Board Members' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Board Members' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-Operative and Community Benefit Societies Act 2014 requires us to report to you, if in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- adequate accounting records have not been kept; or
- returns adequate for an audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the books of accounting records and returns; or
- certain disclosures of Board 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 Board Members' responsibilities statement, the Board Members (who are also the directors of the charitable company 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 Board Members 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 Board Members are responsible for assessing the charitable company'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 Board Members either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST CUMBRIA CARE AND SUPPORT (CONTINUED)

Auditors' 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 Auditors' 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.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations such as the Co-operative and Community Benefit Societies Act 2014 and the Care Quality Commission;
- we identified the laws and regulations applicable to the Society through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Society, including the Co-operative and Community Benefit Societies Act 2014, taxation legislation and data protection, anti-bribery and employment.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Society's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence relevant regulators including the Care Quality Commission, Ofsted and the Society's legal advisors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST CUMBRIA CARE AND SUPPORT (CONTINUED)

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable Society's members, as a body, in accordance with the Act Our audit work has been undertaken so that we might state to the charitable Society's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable Society and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

David Harper (Senior statutory auditor)

Armstrong Watson Audit Limited
Chartered Accountants and Statutory Auditors
Carlisle

Date:

WEST CUMBRIA CARE AND SUPPORT

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2026

	Note	Unrestricted funds 2026 £	Restricted funds 2026 £	Total funds 2026 £	*Total funds 2025 £*
Income from:					
Donations and legacies	4	7,981	1,416,835	1,424,816	*276,547*
Charitable activities	5	13,671,223	-	13,671,223	*12,272,425*
Investments	6	44,980	-	44,980	*34,280*
Total income		13,724,184	1,416,835	15,141,019	*12,583,252*
Expenditure on:					
Raising funds	7	2,741	-	2,741	*5,872*
Charitable activities	8	13,261,241	-	13,261,241	*12,019,081*
Other expenditure	9	822	-	822	*-*
Total expenditure		13,264,804	-	13,264,804	*12,024,953*
Net income		459,380	1,416,835	1,876,215	*558,299*
Transfers between funds	20	1,416,835	(1,416,835)	-	*-*
Net movement in funds before other recognised gains/(losses)		1,876,215	-	1,876,215	*558,299*
Other recognised gains/(losses):					
(Losses)/gains on revaluation of fixed assets	16	(100,000)	-	(100,000)	*152,772*
Actuarial gains on defined benefit pension schemes		(81,000)	-	(81,000)	*(186,000)*
Net movement in funds		1,695,215	-	1,695,215	*525,071*
Reconciliation of funds:					
Total funds brought forward		8,084,396	39,768	8,124,164	*7,599,093*
Net movement in funds		1,695,215	-	1,695,215	*525,071*
Total funds carried forward		9,779,611	39,768	9,819,379	*8,124,164*

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

The notes on pages 22 to 46 form part of these financial statements.

WEST CUMBRIA CARE AND SUPPORT
REGISTERED NUMBER: 28282R

BALANCE SHEET
AS AT 31 MARCH 2026

	Note		**2026**		*2025*
			£		*£*
Fixed assets					
Intangible assets	15		**21,782**		*43,565*
Tangible assets	16		**4,284,952**		*2,947,363*
			4,306,734		*2,990,928*
Current assets					
Stocks	17	**33,061**		*28,425*	
Debtors	18	**2,007,690**		*1,823,824*	
Cash at bank and in hand	24	**4,145,343**		*3,746,936*	
		6,186,094		*5,599,185*	
Current liabilities					
Creditors: amounts falling due within one year	19	**(673,449)**		*(465,949)*	
Net current assets			**5,512,645**		*5,133,236*
Total assets less current liabilities			**9,819,379**		*8,124,164*
Net assets excluding pension asset			**9,819,379**		*8,124,164*
Defined benefit pension scheme asset	27		**-**		*-*
Total net assets			**9,819,379**		*8,124,164*

WEST CUMBRIA CARE AND SUPPORT
REGISTERED NUMBER: 28282R

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2026

	Note	2026 £	*2025* *£*
Charity funds			
Restricted funds	20	**39,768**	*39,768*
Unrestricted funds	20	**9,779,611**	*8,084,396*
Total funds		**9,819,379**	*8,124,164*

The Board Members acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Board Members and signed on their behalf by:

....
Mr F Clark (Co-chair)
Board member

....
Mrs K Wilson
Board member

....
Mr J Cox
Board member
Date:

The notes on pages 22 to 46 form part of these financial statements.

WEST CUMBRIA CARE AND SUPPORT

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	2026 £	*2025 £*
Cash flows from operating activities		
Net cash used in operating activities - Note 23	**2,045,031**	*2,115,516*
Cash flows from investing activities		
Proceeds from the sale of tangible fixed assets	**5,650**	*-*
Purchase of tangible fixed assets	**(1,616,254)**	*(357,651)*
Investment income received	**44,980**	*34,280*
Actuarial gain on defined benefit pension scheme	**(81,000)**	*(186,000)*
Net cash used in investing activities	**(1,646,624)**	**(509,371)**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**398,407**	**1,606,145**
Cash and cash equivalents at the beginning of the year	**3,746,936**	*2,140,791*
Cash and cash equivalents at the end of the year	**4,145,343**	*3,746,936*

The notes on pages 22 to 46 form part of these financial statements

1. General information

West Cumbria Care and Support is an industrial and Provident Society registered on 20 November 1995 under the Co-Operative and Community Benefit Societies Act 2014.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Act.

West Cumbria Care and Support meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements have been prepared in pounds sterling, rounded to the nearest pound, as this is the currency of the primary economic environment in which the Society operates.

2.2 Going concern

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

2.3 Income

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Society to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Society's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Society; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Intangible assets and amortisation

Intangible assets costing £100 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Software	- 25 % straight line basis

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the methods detailed below.

Depreciation is provided on the following bases:

Freehold land and buldings	-		Not depreciated
Leasehold improvements	-		Over the life of the lease
Motor vehicles	-	25%	Straight line basis
Fixtures, fittings and equipment	-	25%	Straight line basis

Freehold land and buildings are initially recognised at cost. After recognition, under the revaluation model, freehold land and buildings whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a Society may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the Statement of financial activities, with a separate revaluation reserve being shown in the Statement of funds note.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Society anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 Financial instruments

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

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

2.14 Pensions

The Society operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2022.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Board Members in furtherance of the general objectives of the Society and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Board Members for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Society for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

In the application of the society's accounting policies, the Board members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical areas of judgement:

Fixed asset property valuations
Properties held as freehold land and buildings are held at fair value (see note 2.7). Valuations are undertaken on a cyclical basis by independent qualified valuers.

Bad and doubtful debt provision
Management undertake a review of trade debtor balances and make an assessment on recoverability based on information held to back up the amount due and correspondence with the service funder. A provision is made where recoverability of debts is doubtful.

Defined benefit pension scheme fund valuation
The Society is a member of a Local Government Pension Scheme which is a defined benefit pension scheme. The assets and liabilities of the scheme are estimated each year by external actuaries. See note 27 for more information about the actuaries and actuarial assumptions.

4. Income from donations and legacies

	Unrestricted funds 2026 £	**Restricted funds 2026 £**	**Total funds 2026 £**
Donations	7,981	-	**7,981**
Grants	-	1,416,835	**1,416,835**
	7,981	1,416,835	**1,424,816**

	Unrestricted funds 2025 £	*Restricted funds 2025 £*	*Total funds 2025 £*
Donations	*7,186*	*-*	*7,186*
Grants	*-*	*269,361*	*269,361*
	7,186	*269,361*	*276,547*

5. Income from charitable activities

	Unrestricted funds 2026 £	Total funds 2026 £
Residential	3,284,814	**3,284,814**
Supported Living	6,553,392	**6,553,392**
Community Activities	1,707,559	**1,707,559**
Children's Contracts	673,620	**673,620**
Enterprise	1,380,806	**1,380,806**
General	71,032	**71,032**
	13,671,223	**13,671,223**

	Unrestricted funds 2025 £	*Total funds 2025 £*
Residential	*2,771,808*	*2,771,808*
Supported Living	*6,063,120*	*6,063,120*
Community Activities	*1,490,610*	*1,490,610*
Children's Contracts	*701,895*	*701,895*
Enterprise	*1,215,161*	*1,215,161*
General	*29,831*	*29,831*
	12,272,425	*12,272,425*

6. Investment income

	Unrestricted funds 2026 £	Total funds 2026 £
Interest receivable	44,980	**44,980**

	Unrestricted funds 2025 £	*Total funds 2025 £*
Interest receivable	*34,280*	*34,280*

7. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2026 £	Total funds 2026 £
Fundraising costs	2,741	**2,741**

	Unrestricted funds 2025 £	*Total funds 2025 £*
Fundraising costs	*5,872*	*5,872*

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2026 £	Total 2026 £
Residential	2,529,483	**2,529,483**
Supported Living	5,572,150	**5,572,150**
Community Activities	1,338,065	**1,338,065**
Children's Contracts	616,785	**616,785**
Enterprise	1,264,604	**1,264,604**
General	1,940,154	**1,940,154**
	13,261,241	**13,261,241**

	Unrestricted funds 2025 £	*Total 2025 £*
Residential	*2,340,297*	*2,340,297*
Supported Living	*4,947,405*	*4,947,405*
Community Activities	*1,177,380*	*1,177,380*
Children's Contracts	*588,192*	*588,192*
Enterprise	*1,070,233*	*1,070,233*
General	*1,895,574*	*1,895,574*
	12,019,081	*12,019,081*

9. Other expenditure

	Unrestricted funds 2026 £	Total funds 2026 £	*Total funds 2025 £*
Cost of fraudulent activity	822	**822**	*-*

10. Analysis of expenditure by activities

	Activities undertaken directly 2026 £	Total funds 2026 £
Residential	2,529,483	**2,529,483**
Supported Living	5,572,150	**5,572,150**
Community Activities	1,338,065	**1,338,065**
Children's Contracts	616,785	**616,785**
Enterprise	1,264,604	**1,264,604**
General	1,940,154	**1,940,154**
	13,261,241	**13,261,241**

	Activities undertaken directly 2025 £	*Total funds 2025 £*
Residential	*2,340,297*	*2,340,297*
Supported Living	*4,947,405*	*4,947,405*
Community Activities	*1,177,380*	*1,177,380*
Children's Contracts	*588,192*	*588,192*
Enterprise	*1,070,233*	*1,070,233*
General	*1,895,574*	*1,895,574*
	12,019,081	*12,019,081*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Residential 2026 £	Supported Living 2026 £	Community Activities 2026 £	Children's Contracts 2026 £	Enterprise 2026 £
Staff costs	2,277,823	5,564,276	1,274,795	552,465	861,902
Direct Costs	91,900	3,942	11,012	31,581	193,358
Property Costs	159,575	-	52,258	25,129	154,678
General administration and support costs	185	3,932	-	7,610	54,666
	2,529,483	5,572,150	1,338,065	616,785	1,264,604

	General 2026 £	Total funds 2026 £
Staff costs	1,598,107	**12,129,368**
Depreciation	165,124	**165,124**
Direct Costs	-	**331,793**
Property Costs	34,630	**426,270**
Office expenses	88,715	**88,715**
General administration and support costs	392,426	**458,819**
Motor expenses	69,542	**69,542**
Bad and doubtful debts	(206,606)	**(206,606)**
Pension finance costs	(335,000)	**(335,000)**
Insurance	111,433	**111,433**
Amortisation	21,783	**21,783**
	1,940,154	**13,261,241**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

10. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Residential 2025 £	*Supported Living 2025 £*	*Community Activities 2025 £*	*Children's Contracts 2025 £*	*Enterprise 2025 £*
Staff costs	*2,057,396*	*4,936,919*	*1,116,178*	*518,868*	*690,834*
Direct Costs	*166,241*	*2,732*	*9,824*	*32,348*	*176,574*
Property Costs	*113,498*	*-*	*51,378*	*21,440*	*150,464*
General administration and support costs	*3,162*	*7,754*	*-*	*15,536*	*52,361*
	2,340,297	*4,947,405*	*1,177,380*	*588,192*	*1,070,233*

	General 2025 £	*Total funds 2025 £*
Staff costs	*1,101,895*	*10,422,090*
Depreciation	*86,974*	*86,974*
Direct Costs	*-*	*387,719*
Property Costs	*17,933*	*354,713*
Office expenses	*121,404*	*121,404*
General administration and support costs	*338,650*	*417,463*
Motor expenses	*60,441*	*60,441*
Bad and doubtful debts	*190,362*	*190,362*
Pension finance costs	*(139,000)*	*(139,000)*
Insurance	*95,133*	*95,133*
Amortisation	*21,782*	*21,782*
	1,895,574	*12,019,081*

11. Auditors' remuneration

	2026 £	*2025 £*
Fees payable to the Society's auditor for the audit of the Society's annual accounts	**12,900**	*12,300*
Fees payable to the Society's auditor in respect of:		
All non-audit services not included above	**3,150**	*3,000*

12. Staff costs

	2026 £	*2025 £*
Wages and salaries	**10,512,423**	*9,224,778*
Social security costs	**1,108,151**	*744,554*
Contribution to defined contribution pension schemes	**508,794**	*452,758*
	12,129,368	*10,422,090*

The average number of persons employed by the Society during the year was as follows:

	2026 No.	*2025 No.*
Charitable Activities	**432**	*419*
Governance	**1**	*1*
	433	*420*

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

	2026 No.	*2025 No.*
In the band £60,001 - £70,000	**2**	*-*
In the band £70,001 - £80,000	**1**	*-*
In the band £80,001 - £90,000	**1**	*1*

Remuneration of key management was as follows:

	2026 £	*2025 £*
Aggregate compensation	**332,044**	*328,571*

13. Board Members' remuneration and expenses

During the year ended 31 March 2026, no Board Members received any remuneration or other benefits *(2025 - £NIL)*.

During the year ended 31 March 2026, no Board Member expenses have been incurred *(2025 - £NIL)*.

14. Taxation

The society is a registered charity and is therefore exempt from taxation.

15. Intangible assets

	Computer software £
Cost	
At 1 April 2025	**87,130**
At 31 March 2026	**87,130**
Amortisation	
At 1 April 2025	**43,565**
Charge for the year	**21,783**
At 31 March 2026	**65,348**
Net book value	
At 31 March 2026	**21,782**
At 31 March 2025	*43,565*

16. Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost or valuation					
At 1 April 2025	2,470,243	799,624	242,503	208,532	3,720,902
Additions	43,699	1,457,825	50,502	64,228	1,616,254
Disposals	-	-	(25,000)	-	(25,000)
Revaluations	(100,000)	-	-	-	(100,000)
At 31 March 2026	2,413,942	2,257,449	268,005	272,760	5,212,156
Depreciation					
At 1 April 2025	-	479,992	206,396	87,150	773,538
Charge for the year	-	89,802	16,559	58,763	165,124
On disposals	-	-	(11,458)	-	(11,458)
At 31 March 2026	-	569,794	211,497	145,913	927,204
Net book value					
At 31 March 2026	2,413,942	1,687,655	56,508	126,847	4,284,952
At 31 March 2025	*2,470,243*	*319,632*	*36,107*	*121,382*	*2,947,364*

16. Tangible fixed assets (continued)

Land and buildings are revalued by independent valuers who are not connected with the society. The valuations conform to International Valuation Standards and are based on recent market transactions on an arms' length terms for similar properties. The following valuations have been undertaken:

The offices at Stanley Street were valued in April 2022 at an open market value of £150,000 by SWH Surveys Limited.

The residential care home at Midtown Farm was valued in March 2026 at an open market value of £300,000 by DGRE.

The residential care home at Floshfields was donated to West House and was valued in April 2025 at an open market value of £365,000 by Mere Commercial Limited.

The residential care home at Heatherside was valued in April 2025 at an open market value of £310,000 by Mere Commercial Limited.

The residential care home at Briarfield was valued in April 2024 at an open market value of £375,000 by Mere Commercial Ltd.

The garden centre properties at Croft Farm were valued in March 2024 at an open market value of £132,000 by Carigiet Cowen.

The residential care home at Midtown Farm Barn was valued in March 2026 at an open market value of £315,000 by DGRE.

The residential care home at Sandy Lonning was valued in March 2026 at an open market value of £360,000 by DGRE.

The freehold interest in land and buildings is not depreciated as the management board are of the opinion that the residual values are equal to, or in excess of, the current carrying value of the asset.

At 31 March 2026, had the revalued assets been carried at historic cost less accumulated depreciation, accumulated impairment losses and grant funding, their carrying amount would have been approximately £2,245,453 (2025 - £2,201,754).

17. Stocks

	2026	*2025*
	£	*£*
Raw materials and consumables	**33,061**	*28,425*

18. Debtors

	2026 £	2025 £
Due within one year		
Trade debtors	**951,717**	*1,293,734*
Other debtors	**368,215**	*289,887*
Prepayments and accrued income	**687,758**	*240,203*
	2,007,690	*1,823,824*

19. Creditors: Amounts falling due within one year

	2026 £	2025 £
Trade creditors	**73,923**	*76,740*
Other creditors	**20,221**	*5,775*
Accruals and deferred income	**579,305**	*383,434*
	673,449	*465,949*

20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2025 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2026 £
Unrestricted funds						
Designated funds						
Revaluation reserve	268,489	-	-	-	(100,000)	168,489
Property reserve	2,201,754	-	-	43,699	-	2,245,453
Leasehold property reserve	319,632	-	(89,802)	1,457,825	-	1,687,655
	2,789,875	-	(89,802)	1,501,524	(100,000)	4,101,597
General funds						
General Funds	5,294,521	13,724,184	(13,175,002)	(84,689)	(81,000)	5,678,014
Total Unrestricted funds	8,084,396	13,724,184	(13,264,804)	1,416,835	(181,000)	9,779,611

Designated funds represent an element of unrestricted funds that have been earmarked by the board for a specific purpose.

Revaluation reserve - This reserve represents the increase in value of properties owned by the society above their historic cost or donated value.

Property reserve - This represents the historic cost or donated value of properties owned by the society.

Leasehold property reserve - This represents the depreciated cost of leasehold improvement made by the society. The majority of the reserve is in respect of the Hall Garden property.

20. Statement of funds (continued)

Restricted funds						
General Fundraising	33,144	-	-	-	-	33,144
Changing places facility	4,000	-	-	-	-	4,000
Green gym	2,624	-	-	-	-	2,624
Hall garden	-	1,416,835	-	(1,416,835)	-	-
	39,768	1,416,835	-	(1,416,835)	-	39,768
Total of funds	8,124,164	15,141,019	(13,264,804)	-	(181,000)	9,819,379

General fundraising - This fund is made up of various income amounts where a restriction has been placed on how the monies can be expended. The amounts are managed separately.

Changing places facility - This is funding that has been received to provide a Changing Places area.

Green Gym - This fund represents monies received for building a green gym at the Allerby property.

Hall Garden - This fund represents grant funding for the redevelopment of the walled garden at Curwen Hall, Workington. The project will provide an improved pottery, commercial garden and day facilities. Transfers out of the fund are where fund reserves have been spent on capital assets meeting the restricted requirements and the value of the asset is treated as a designated fund balance in the accounts.

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Unrestricted funds						
Designated funds						
Revaluation reserve	115,717	-	-	-	152,772	268,489
Property reserve	2,138,511	-	-	63,243	-	2,201,754
Leasehold property reserve	111,757	-	(11,486)	219,361	-	319,632
	2,365,985	-	(11,486)	282,604	152,772	2,789,875
General funds						
General Funds	5,193,370	12,313,891	(12,013,467)	(13,273)	(186,000)	5,294,521
Total Unrestricted funds	7,559,355	12,313,891	(12,024,953)	269,331	(33,228)	8,084,396
Restricted funds						
General Fundraising	33,114	30	-	-	-	33,144
Changing places facility	4,000	-	-	-	-	4,000
Green gym	2,624	-	-	-	-	2,624
Hall garden	-	219,331	-	(219,331)	-	-
Allerby	-	50,000	-	(50,000)	-	-
	39,738	269,361	-	(269,331)	-	39,768
Total of funds	7,599,093	12,583,252	(12,024,953)	-	(33,228)	8,124,164

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

21. Summary of funds

Summary of funds - current year

	Balance at 1 April 2025 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2026 £
Designated funds	**2,789,875**	**-**	**(89,802)**	**1,501,524**	**(100,000)**	**4,101,597**
General funds	**5,294,521**	**13,724,184**	**(13,175,002)**	**(84,689)**	**(81,000)**	**5,678,014**
Restricted funds	**39,768**	**1,416,835**	**-**	**(1,416,835)**	**-**	**39,768**
	8,124,164	**15,141,019**	**(13,264,804)**	**-**	**(181,000)**	**9,819,379**

Summary of funds - prior year

	Balance at 1 April 2024 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 31 March 2025 £*
Designated funds	*2,365,985*	*-*	*(11,486)*	*282,604*	*152,772*	*2,789,875*
General funds	*5,193,370*	*12,313,891*	*(12,013,467)*	*(13,273)*	*(186,000)*	*5,294,521*
Restricted funds	*39,738*	*269,361*	*-*	*(269,331)*	*-*	*39,768*
	7,599,093	*12,583,252*	*(12,024,953)*	*-*	*(33,228)*	*8,124,164*

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total funds 2026 £
Tangible fixed assets	4,284,952	-	**4,284,952**
Intangible fixed assets	21,782	-	**21,782**
Current assets	6,146,326	39,768	**6,186,094**
Creditors due within one year	(673,449)	-	**(673,449)**
Total	9,779,611	39,768	**9,819,379**

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2025 £	*Restricted funds 2025 £*	*Total funds 2025 £*
Tangible fixed assets	*2,947,363*	*-*	*2,947,363*
Intangible fixed assets	*43,565*	*-*	*43,565*
Current assets	*5,559,417*	*39,768*	*5,599,185*
Creditors due within one year	*(465,949)*	*-*	*(465,949)*
Total	*8,084,396*	*39,768*	*8,124,164*

23. Reconciliation of net movement in funds to net cash flow from operating activities

	2026 £	*2025 £*
Net income for the year (as per Statement of Financial Activities)	**1,876,215**	*558,299*
Adjustments for:		
Depreciation and impairment of tangible fixed assets	**165,124**	*75,488*
Amortisation charges	**21,783**	*21,782*
Investment income recognised in statement of financial activities	**(44,980)**	*(34,280)*
Loss on disposal of tangible fixed assets	**7,892**	*-*
(Increase) in stocks	**(4,637)**	*(9,063)*
Decrease/(increase) in debtors	**(183,866)**	*1,410,253*
(Decrease)/increase in creditors	**207,500**	*93,037*
Net cash provided by operating activities	**2,045,031**	*2,115,516*

24. Analysis of cash and cash equivalents

	2026 £	*2025 £*
Cash in hand	**4,145,343**	*3,746,936*
Total cash and cash equivalents	**4,145,343**	*3,746,936*

25. Analysis of changes in net debt

	At 1 April 2025 £	Cash flows £	At 31 March 2026 £
Cash at bank and in hand	3,746,936	398,407	4,145,343
	3,746,936	398,407	4,145,343

26. Capital commitments

	2026 £	*2025 £*
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	189,434	*1,464,328*

27. Pension commitments

The Society operates a defined benefit pension scheme.

Retirement benefit schemes

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

Defined benefit schemes

The society operates a defined benefit scheme for qualifying employees.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 31 March 2026 by Mercer. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 March 2026 %	*At 31 March 2025 %*
Discount rate	6.3	*5.9*
Future salary increases	4.4	*4.1*
Future pension increases	3.0	*2.7*
CPI inflation	2.9	*2.6*

27. Pension commitments (continued)

	At 31 March 2026 Years	*At 31 March 2025 Years*
Mortality rates (in years)		
- for a male aged 65 now	**21.4**	*21.5*
- at 65 for a male aged 45 now	**22.7**	*22.8*
- for a female aged 65 now	**24.1**	*24*
- at 65 for a female aged 45 now	**25.6**	*25.7*

The Society's share of the assets in the scheme was:

	At 31 March 2026 £	*At 31 March 2025 £*
Equity instruments	**7,217,000**	*6,826,000*
Government bonds	**3,096,000**	*2,860,000*
Property	**1,506,000**	*1,539,000*
Cash	**900,000**	*296,000*
Other	**8,200,000**	*8,206,000*
Total fair value of assets	**20,919,000**	*19,727,000*

The actual return on scheme assets was £1,872,000 *(2025 - £445,000)*.

The amounts recognised in the Statement of financial activities are as follows:

	2026 £	*2025 £*
Current service cost	**254,000**	*327,000*
Net interest on defined benefit liability/(asset)	**(351,000)**	*(155,000)*
Other costs and income	**16,000**	*16,000*
Total amount recognised in the Statement of financial activities	**(81,000)**	*188,000*

27. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2026 £
Opening defined benefit obligation	**13,958,000**
Contributions by scheme participants	**122,000**
Benefits paid	**(368,000)**
Actuarial gains and losses	**(447,000)**
Current service cost	**254,000**
Interest cost	**816,000**
Closing defined benefit obligation	**14,335,000**

Movements in the fair value of the Society's share of scheme assets were as follows:

	2026 £
Opening fair value of scheme assets	**13,958,000**
Interest income	**1,167,000**
Contributions by employer	**364,000**
Contributions by scheme participants	**122,000**
Benefits paid	**(368,000)**
Remeasurements (assets)	**(77,000)**
Administrative expenses	**(16,000)**
Restriction of surplus	**(815,000)**
Closing fair value of scheme assets	**14,335,000**

The Society has an unrecognised surplus of £6,584,000 *(2025 - £5,769,000)* in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

28. Operating lease commitments

At 31 March 2026 the Society had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2026 £	*2025 £*
Not later than 1 year	**30,303**	*12,500*
Later than 1 year and not later than 5 years	**111,049**	*-*
	141,352	*12,500*

29. Related party transactions

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