

**ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**  
(A COMPANY LIMITED BY GUARANTEE)

**Report and Financial Statements**  
**For the Year Ended 31 March 2013**

**Charity number: 1080751**  
**Company number: 3959483**



**ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**  
(A COMPANY LIMITED BY GUARANTEE)  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2013**

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# **ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**

## **(A COMPANY LIMITED BY GUARANTEE) LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2013**

The trustees present their report and the audited financial statements for the year ended 31 March 2013

### **Reference and administrative information**

Charity name	St Mary's Convent and Nursing Home (Chiswick)
Charity registration number	1080751
Company registration number	3959483
Registered office and operational address	Burlington Lane Chiswick London W4 2QE

### **Trustees/directors**

Miss Cynthia Boreham (Sister Cynthia Clare SSM)  
Miss Jennifer Goodeve (Sister Jennifer Anne SSM)  
Miss Barbara Brown (Sister Barbara SSM)  
Miss Pamela Groombridge (Sister Mary Paul SSM)  
Mr J B Randle  
Mr R I Turner  
Sir Graham Morgan

### **Company secretary**

Mr Roger Claxton

### **Auditors**

BDO LLP (formerly PKF (UK) LLP)  
Cedar House  
105 Carrow Road  
Norwich  
NR1 1HP

### **Bankers**

National Westminster Bank Plc  
135 Bishopsgate  
London  
EC2M 3UR

### **Solicitors**

Bircham Dyson Bell LLP  
50 Broadway  
Westminster  
London  
SW1H 0BL

### **Investment managers**

Investec Wealth & Investment Limited  
2 Gresham Street  
London  
EC2V 7QP

**ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**Structure, governance and management**

Governing document

St Mary's Convent and Nursing Home (Chiswick) is a charitable company limited by guarantee incorporated on 24 March 2000 and registered as a charity on 16 May 2000. It was established under a Memorandum of Association which defined its objects and powers and is governed by its Articles of Association. In the event of the charitable company being wound up its members are required to contribute an amount not exceeding £1.

Recruitment and appointment of trustees/directors

The directors of the charitable company are also the charity trustees for the purposes of charity law.

The Reverend Mother of St Margaret's Convent (currently Sister Cynthia Clare SSM) and the Sister Superior of St Mary's Convent and Nursing Home (currently Sister Jennifer Anne SSM) are appointed as ex-officio trustees. The remaining trustees are elected and one-third (or the number nearest one-third) must retire at each annual general meeting and if eligible and willing to do so, offer themselves for re-election.

The trustees have great expertise and experience in a wide range of business, medical and care disciplines. Individuals with appropriate skills, ability and time are approached to offer themselves for election to the board of trustees.

Trustee induction and training

Prospective trustees are invited to meet existing trustees and the senior management at St Mary's Convent and Nursing Home and to see first hand the work of the home and its general atmosphere. They are provided with relevant documents relating to the governance of the charity and the latest financial statements and management accounts. The information and advice available from the Charity Commission is also made available to any prospective trustee who does not have previous experience of the duties and responsibilities placed on a charity trustee.

Organisational structure

The day to day running of St Mary's Convent and Nursing Home is carried out by Sister Jennifer Anne SSM, who is designated as the responsible person for statutory purposes, and Liz Smith, who is the registered manager and matron. They are assisted in their work by the deputy matron, the quality manager and the administrative staff.

The trustees meet four times a year and are responsible for the strategic direction and policy of St Mary's Convent and Nursing Home. At each meeting the trustees consider the key measures of operational and financial performance with the assistance of the appropriate members of the management team.

Risk management

The trustees have identified and considered the major risks to which St Mary's Convent and Nursing Home is exposed. Systems have been established to mitigate those risks and the risk policies which have been developed will be regularly updated and adapted as circumstances change.

St Mary's Convent and Nursing Home operates in a highly regulated field of activity and as such is subject to regular inspection by a number of agencies. The result of this degree of scrutiny is that operational risk policies are very well developed in the areas of quality of service, health and safety of residents and employees and employment issues. External risks to the work of St Mary's Convent and

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## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

Nursing Home, principally as a result of legislation change are also identified and controlled as far as possible

In the areas of governance, financial and compliance risk the trustees have considered both the systems controlling risk and the quality of St Mary's Convent and Nursing Home's senior staff and professional advisers who implement and monitor the risk control systems. The trustees consider that the risk systems in place combined with the skills of those responsible for implementing the policies minimise the exposure to risk

### Related parties

As shown in note 17 to the financial statements the voting members of the Chapter of St Margaret's Convent are the only members of the company limited by guarantee which constitutes St Mary's Convent and Nursing Home. As such St Margaret's Convent is regarded as the parent undertaking of St Mary's Convent and Nursing Home. The Sisters who are members of the board of trustees of St Mary's Convent and Nursing Home are also voting members of the Chapter of St Margaret's Convent and trustees of that charity.

The freehold of the premises from which St Mary's Convent and Nursing Home operates is owned by St Margaret's Convent and is occupied under the terms of a long lease at a peppercorn rent.

### **Objectives and activities**

The object of St Mary's Convent and Nursing Home is the advancement of the Anglican Christian religion in particular

- by providing residential home accommodation, nursing and other care facilities to members of the public, to members of the convent and to members of the charity,
- by the promotion and maintenance of public worship,
- by the promotion of religious and spiritual teaching

St Mary's Convent and Nursing Home's aims are to

- provide excellent personal and nursing care to its 59 older residents, in a homely environment, where they live as part of an extended Christian family, whilst also having the right to privacy and independence,
- provide care, delivered by skilled staff, underpinned by the core values of privacy, dignity, choice, rights, proper assessment of risk, respect, equality, fulfilment, independence and security, to a standard, which embraces fundamental principles of good practice and meets the requirements of the Health & Social Care Act 2012,
- recognise each resident as an individual and enable the resident to achieve the highest possible quality of life throughout their stay. Family and friends are welcome and are involved in care planning and delivery, providing the resident gives consent,
- enable the resident to experience a comfortable and peaceful death, surrounded by loved ones and caring staff

The activities and fundamental ethos of St Mary's Convent and Nursing Home are

- to provide nursing and residential care for elderly residents, who are physically frail, disabled or require supervision due to mental and / or physical deterioration. The home is staffed by registered nurses and care assistants, all of whom have NVQ qualifications at levels 2 - 7

# **ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**

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## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

- to provide holistic care for the residents, including meeting social and spiritual needs and this involves a varied activity programme throughout the week, both inside the home and out. Staff, volunteers and paid contributors are involved in providing the programme,
- to provide a local care home for the older people of Chiswick and surrounding areas, so they do not have to move away for this facility, and can maintain local links and involvement if they wish. It is the only care home providing nursing in Chiswick,
- to enable the residents to live as independently as possible, in their own rooms, respecting their choices for decoration and room layout where practically possible,
- to provide assistance to residents if they need it, but to limit interventions to suit their needs and desires, ensuring they maintain control over their lives and enabling them to take risks within a monitored and safe environment,
- to provide a homely, flexible and accepting environment where the resident and their families and friends feel able to continue their relationships and enjoy family life, arranging and participating in any activities that are important to the resident's cultural, social or religious needs

St Mary's Convent and Nursing Home recognises that its clients (customers) are vulnerable. Many of them are physically and / or mentally frail. They may be unable to give informed consent or make appropriate choices or judgements. Some are not able to recognise risks to themselves or maintain their own safety. As an ethical business, based on Christian values, St Mary's Convent and Nursing Home adopts practices to protect these vulnerable adults, including

- Disclosure and Barring Service (DBS) criminal record checks for all staff and volunteers,
- Safeguarding of Vulnerable Adults (SOVA) for all staff and volunteers,
- vulnerable adult policy – service wide agreement,
- training and induction for staff (video and questionnaire, NVQ),
- gifts and gratuities policy,
- restraint policy and regular medication review,
- accident/incident policy,
- Nursing and Midwifery Council register checked (registered nurses only),
- supervision

### **Public benefit**

St Mary's Convent and Nursing Home reviews its aims, objectives and achievements each year and this report comments on achievements during the year ended 31 March 2013 and also considers plans for the future. In undertaking the review of aims, objectives and achievements the trustees have paid due regard to guidance issued by the Charity Commission in determining how St Mary's Convent and Nursing Home should carry out its activities for the public benefit.

St Mary's Convent and Nursing Home fulfils its charitable purposes for the public benefit in the following ways,

- providing the highest standards of care for its 59 residents,
- giving that care at fee rates materially lower than the rates charged by commercially operated homes of comparable quality,

## **ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

- caring for those residents reliant on public funding at fee rates materially lower than St Mary's Convent and Nursing Home's normal rates. The trustees have elsewhere in this report expressed their concern about the extent of this public subsidy but it is the unfortunate reality of the inadequacy of funding for residential care for the elderly. St Mary's Convent and Nursing Home's status as a charity does ensure that residents are not prevented by lack of means from enjoying the high standard of care the home is able to provide,
- being a place of both public and private worship for residents, staff and visitors alike. The presence of the Chapel distinguishes St Mary's Convent and Nursing Home from most other care homes and provides a spiritual element to the atmosphere of the home which is much valued,
- although St Mary's Convent and Nursing Home is run by an Anglican Christian religious order the home is open to all irrespective of their religious beliefs

The charitable status of St Mary's Convent and Nursing Home substantially enhances its ability to fulfil its charitable purposes for the public benefit in a number of ways

- the Sisters resident at the home carry out a large number of duties, both in administering the home and caring for residents, which would otherwise have to be undertaken by paid staff at considerable cost,
- the trustees give freely of their time and expertise without payment,
- charitable status combined with the high regard and affection in which St Mary's Convent and Nursing Home is held, ensure the continued support of a host of volunteers. This support comes in the form of the donation of both time and money. The wide range of activities and outings enjoyed by the residents could not be provided without the considerable support of volunteers who give freely of their time. Such activities are an important contributor to the air of vitality at St Mary's Convent and Nursing Home,
- the work which is carried out by volunteers, the Sisters and trustees at no cost, coupled with the fact that as a charity there is no requirement for a commercial return on capital employed, enables St Mary's Convent and Nursing Home to operate with a much lower cost base than a commercial undertaking, resulting in the lower fee rates for residents to which reference has already been made

#### **Achievements and performance**

Because St Mary's Convent and Nursing Home operates in a highly regulated sector quality management is of paramount importance. There is a statutory requirement to fulfil the essential standards of quality and safety for care homes for older people (Care Standards Act 2008) and as a result St Mary's Convent and Nursing Home is subject to an unannounced external inspection to ensure compliance. Adherence to quality management is a fundamental part of compliance procedure and St Mary's Convent and Nursing Home uses the Blue Cross Mark of Excellence Quality Management System developed by the Registered Nursing Homes Association.

Recent inspections by the Care Quality Commission (CQC) have found St Mary's Convent and Nursing Home to be a home committed to safeguarding and promoting the health, welfare and safety of its residents, within an environment that is pleasant, lively and homely. Following CQC's last service review in July 2012 St Mary's Convent and Nursing Home was found to be compliant with legislation.

The independent evidence provided by CQC reports indicates that St Mary's Convent and Nursing Home continues to achieve its aims set out in the section above detailing objectives and activities. It is gratifying that external authorities have recognised the high standard of the service provided by St Mary's Convent and Nursing Home but the staff has no sense of complacency about maintaining standards and constantly strives to enhance the standard of care provided to the home's residents.

# **ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**

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## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

### **Financial review**

The financial statements cover the results for the year ended 31 March 2013

Incoming resources amounted to £2,356,020 (2012 £2,346,837) Of this amount £2,199,996 (2012 £2,118,243) arose from nursing and residential home fees Voluntary income increased to £83,515 (2012 £82,618) Total resources expended during the year amounted to £2,481,771 (2012 £2,392,976)

Net outgoing resources, before realised and unrealised investment gains and losses, amounted to £125,751 (2012 net outgoing resources of £46,139) This level of deficit was achieved even after the generosity of donors and highlights the difficulty of maintaining financial stability against a background of inadequate local authority funding for those residents who are publicly funded The fees paid by local authorities are significantly below the economic costs of care Without the support of donors and without income arising from investments, resources expended would have exceeded incoming resources by £281,775 (2012 £204,733)

Had all residents been able to pay full fees income would have been approximately £100,000 higher in the year ended 31 March 2013 A shortfall of this magnitude causes considerable difficulty and places greater demands upon the generosity of donors

Against this difficult background St Mary's Convent and Nursing Home has continued to achieve financial stability and the balance sheet at 31 March 2013 shows net assets of £4,907,141 (2012 £4,898,909)

### Donations

The trustees wish to record their grateful thanks to all donors whose generosity has enabled the work of St Mary's Convent and Nursing Home to continue

### Investment policy

The investment objective is to achieve a balanced return between income and capital growth within a moderate risk profile During the year the total return achieved on the investment portfolio was 13.9% (2012 1.7%) The total return shown by an appropriate customised portfolio index for the year ended 31 March 2013 was 15.2% (2012 2.8%) Eligible investments will comprise fixed interest securities and equities, quoted on a Recognised Investment Exchange, and unit trusts which are authorised under the Financial Services and Markets Act 2000

### Reserves policy

The balance sheet shows general reserves of £4,907,141 of which £2,883,795 is represented by tangible fixed assets A further £1,402,088 is represented by investments which provide a useful source of income Investments with a book value of £295,746 were sold in the year for £290,498 resulting in a loss of £5,248

This leaves free funds of £621,258 from the general funds The trustees do not consider this level of free funds is excessive given the unpredictable nature of cash flows, the continuing expenditure on repairs and renewals and the current inadequacy of Government funding for patients in nursing homes without private means Because fees paid by local authorities in no way meet the cost of providing care a contingency fund is needed to meet that shortfall It is the policy of the trustees to maintain reserves equivalent to four months of budgeted operating expenditure and an additional amount of £500,000 as a building maintenance and improvement fund, a total of some £1,400,000 The free funds of £621,258 are materially less than this amount but a proportion of the investments could be realised if the need arose



# **ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**

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## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

### **Plans for future periods**

The long-term care industry remains in a state of flux. The Care Quality Commission (CQC) has introduced 16 criteria detailed in the Health and Social Care Act 2012, the essential standards of quality and safety, which are now in place. St Mary's Convent and Nursing Home successfully re-registered under these criteria in 2010. CQC published a consultation paper in June 2013 looking at changes they wish to make in the inspection process and they will introduce a new test of meeting standards in their strategy for 2013-2016. It is unclear how these changes will affect current service delivery.

Homes providing nursing care are particularly challenged by inadequate local authority funding and care costs rising at a rate significantly higher than general measures of inflation. The costs of providing long-term care are being pushed up but without a matched increase in funding for those residents reliant on local authority funds. This is in spite of the allocation of funds from Government to reduce "bed-blocking" in hospitals. The allocation of NHS money to fund registered nursing input does not cover the cost of the nurses employed. The demand for the care provided by St Mary's Convent and Nursing Home comes from both privately funded individuals, who are now helped to some extent by the needs assessed registered nursing care contribution, and from local authority funded individuals.

There has continued to be a strong demand for the care provided by St Mary's Convent and Nursing Home and occupancy rates are 100% for practical purposes. A limit has had to be placed on the number of local authority funded residents in order for St Mary's Convent and Nursing Home to remain financially viable. This does present an ethical dilemma because of the commitment to remain an independent, not for profit charitable organisation for the foreseeable future. Despite efforts to contain costs local authority funding has not even kept pace with inflation. Ring fenced beds for use by local authority funded residents are subject to review.

As more care staff achieve NVQ qualifications they have an increasing role in unit management as well as care delivery in the home. The role of nurses is becoming that of more specialist intervention for the whole home, minimising the need for hospital admissions, and meeting end of life needs, in line with Government objectives.

Over recent years St Mary's Convent and Nursing Home has invested a great deal of time, money and effort to meet new statutory requirements ahead of the required deadlines in order to remain at the forefront of care provision in the Chiswick area. The aim has always been to provide care for the less wealthy but the challenge of local authority under funding is making this increasingly difficult. The increasing cost of providing nursing care, both in terms of staff costs and expensive equipment, also presents a continuing challenge. However St Mary's Convent and Nursing Home intends to continue to focus on providing an excellent service for its residents and the level of local support suggests there is a need for a care home in Chiswick.

To continue to develop its services St Mary's Convent and Nursing Home has received planning permission to construct five self-contained bungalows in the grounds of the home. Planning permission is being sought to construct a further three bungalows. These self-contained units will provide accommodation for residents who require some assistance with day to day living but who are not yet in need of full residential care. The design, cost of construction and funding of the bungalows are now being explored and it is hoped they will be available for occupation by the summer of 2014.

**ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**  
(A COMPANY LIMITED BY GUARANTEE)  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**Responsibilities of the trustees**

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including its income and expenditure, of the charity for the year. In preparing those financial statements the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- 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 requirements of 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.

**Provision of information to auditor**

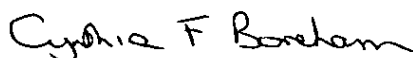
Each of the persons who are trustees at the time when this report of the trustees is approved has confirmed that

- so far as that trustee is aware there is no relevant audit information of which the charity's auditor is unaware and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charity's auditor in connection with preparing his report and to establish that the charity's auditor is aware of that information

**Auditor**

PKF (UK) LLP were re-appointed as the charitable company's auditors during the year but following their merger with BDO LLP resigned on 25 April 2013. BDO LLP were appointed as the charitable company's auditors on 7 May 2013.

Approved by the trustees/directors on 13 August 2013 and signed on their behalf by



**Sister Cynthia Clare SSM**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**

We have audited the financial statements of St Mary's Convent and Nursing Home (Chiswick) for the year ended 31 March 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs as at 31 March 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**Graham Randall** (Senior statutory auditor)  
for and on behalf of BDO LLP, Statutory auditor  
Norwich  
United Kingdom

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

**ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**  
(A COMPANY LIMITED BY GUARANTEE)  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2013**

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2013 £	Total funds 2012 £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds:</b>					
Voluntary income	2	83,515	-	83,515	82,618
Activities for generating funds	2	33,723	-	33,723	36,809
Investment income	2	38,786	-	38,786	39,167
<b>Incoming resources from charitable activities</b>	<b>3</b>	<b>2,199,996</b>	<b>-</b>	<b>2,199,996</b>	<b>2,188,243</b>
<b>Total incoming resources</b>		<b>2,356,020</b>		<b>2,356,020</b>	<b>2,346,837</b>
<b>RESOURCES EXPENDED</b>					
Charitable activities	4	2,324,225	-	2,324,225	2,245,932
Governance costs	4	157,546	-	157,546	147,044
<b>Total resources expended</b>		<b>2,481,771</b>	<b>-</b>	<b>2,481,771</b>	<b>2,392,976</b>
<b>Net (outgoing) resources before other recognised gains</b>	<b>5</b>	<b>(125,751)</b>	<b>-</b>	<b>(125,751)</b>	<b>(46,139)</b>
<b>Other recognised gains</b>					
Realised (losses) on disposal of investments		(5,248)	-	(5,248)	(23,037)
Unrealised gains on revaluation of investments	10	139,231	-	139,231	6,140
<b>Net movement in funds before transfers</b>		<b>8,232</b>	<b>-</b>	<b>8,232</b>	<b>(63,036)</b>
<b>Transfers</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>8,232</b>	<b>-</b>	<b>8,232</b>	<b>(63,036)</b>
<b>Total funds brought forward</b>		<b>4,898,909</b>	<b>-</b>	<b>4,898,909</b>	<b>4,961,945</b>
<b>Total funds carried forward</b>		<b>4,907,141</b>	<b>-</b>	<b>4,907,141</b>	<b>4,898,909</b>

The Statement of Financial Activities includes all gains and losses in the year resources expended derive from continuing activities

All incoming resources and

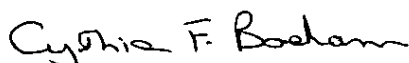
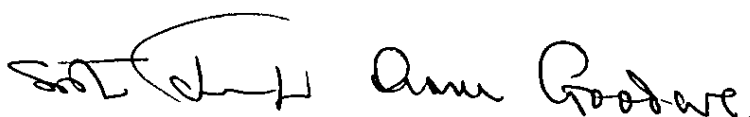
**ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**

(A COMPANY LIMITED BY GUARANTEE)

**BALANCE SHEET AS AT 31 MARCH 2013**

	Notes	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	9	2,883,795	2,948,239
Investments	10	1,402,088	1,272,113
		<u>4,285,883</u>	<u>4,220,352</u>
<b>CURRENT ASSETS</b>			
Debtors	11	59,133	63,416
Cash on deposit		546,999	544,554
Cash at bank and in hand		140,917	222,877
		<u>747,049</u>	<u>830,847</u>
<b>CREDITORS:</b> amounts falling due within one year	12	(125,791)	(152,290)
		<u>621,258</u>	<u>678,557</u>
<b>NET CURRENT ASSETS</b>			
		<u>621,258</u>	<u>678,557</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,907,141</u>	<u>4,898,909</u>
<b>REPRESENTED BY</b>			
General funds	13	4,907,141	4,898,909
Restricted funds	13	-	-
		<u>4,907,141</u>	<u>4,898,909</u>

Approved by the trustees/directors on 13 August 2013 and signed on their behalf by

**Sister Cynthia Clare SSM****Sister Jennifer Anne SSM**

**ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2013**

	Notes	2013 £	2012 £
<b>Reconciliation of changes in resources from operating activities</b>			
Net (outgoing) resources		(125,751)	(46,139)
Depreciation of tangible fixed assets		145,822	144,069
Loss on disposal of tangible fixed assets		586	-
Decrease/(increase) in debtors		4,283	(11,029)
(Decrease) in creditors		(26,499)	(7,546)
		<hr/>	<hr/>
<b>Net cash (outflow)/inflow from operating activities</b>		<b>(1,559)</b>	<b>79,355</b>
		<hr/>	<hr/>
<b>CASH FLOW STATEMENT</b>			
<b>Net cash (outflow)/inflow from operating activities</b>		<b>(1,559)</b>	<b>79,355</b>
<b>Capital receipts/(expenditure)</b>	<b>14</b>	<b>6,425</b>	<b>(73,307)</b>
		<hr/>	<hr/>
<b>Increase in net cash</b>		<b>4,866</b>	<b>6,048</b>
		<hr/>	<hr/>
<b>Reconciliation of net cash flow to movement in net funds</b>	<b>15</b>		
<b>Increase in cash in the year</b>		<b>4,866</b>	<b>6,048</b>
<b>Net funds at 1 April 2012</b>		<b>802,196</b>	<b>796,148</b>
		<hr/>	<hr/>
<b>Net funds at 31 March 2013</b>		<b>807,062</b>	<b>802,196</b>
		<hr/>	<hr/>

**ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**  
(A COMPANY LIMITED BY GUARANTEE)  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**1. Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

**(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

**(b) Fund accounting**

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

**(c) Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to a grant,
- donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts,
- incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance,
- investment income is included when receivable,
- incoming resources from charitable activities are accounted for when earned.

**(d) 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 reported as part of the expenditure to which it relates.

- costs of generating funds comprise the costs associated with attracting voluntary income,
- charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them,
- governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity,



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- all costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis for instance on a per capita basis or by estimated usage as set out in note 4

**(e) Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

- Leasehold improvements    2% per annum,
- Furniture and fittings       10% per annum,
- Motor vehicles                20% per annum

Depreciation is provided on leasehold improvements once the assets have been brought into use. Until this point the assets are stated at cost.

**(f) Fixed asset investments**

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

# ST MARY'S CONVENT AND NURSING HOME (CHISWICK)

(A COMPANY LIMITED BY GUARANTEE)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

### 2 Incoming resources from generated funds

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
<b>Voluntary income</b>				
Donations	54,415	-	54,415	52,247
Sisters' pensions	29,100	-	29,100	30,371
	<u>83,515</u>	<u>-</u>	<u>83,515</u>	<u>82,618</u>
<b>Activities for generating funds</b>				
Sundry sales	10,253	-	10,253	13,419
Rent received from staff accommodation	23,470	-	23,470	23,390
	<u>33,723</u>	<u>-</u>	<u>33,723</u>	<u>36,809</u>
<b>Investment income</b>				
Listed investments				
Fixed interest	2,608	-	2,608	3,746
Equities	32,677	-	32,677	32,111
Deposit interest	3,501	-	3,501	3,310
	<u>38,786</u>	<u>-</u>	<u>38,786</u>	<u>39,167</u>
<b>Total income from generated funds</b>	<u>156,024</u>	<u>-</u>	<u>156,024</u>	<u>158,594</u>

### 3 Incoming resources from activities to further the charity's objects

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Nursing and residential home fees	2,199,996	-	2,199,996	2,188,243
<b>Total incoming resources from charitable activities</b>	<u>2,199,996</u>	<u>-</u>	<u>2,199,996</u>	<u>2,188,243</u>

# ST MARY'S CONVENT AND NURSING HOME (CHISWICK)

(A COMPANY LIMITED BY GUARANTEE)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

### 4. Total resources expended

	Basis of allocation	Nursing and residential care £	Governance £	2013 Total £	2012 Total £
<b>Costs directly allocated to activities</b>					
Staff costs	Direct	1,636,914	49,886	1,686,800	1,645,032
Residential and household	Direct	168,030	-	168,030	161,067
Nursing and medical	Direct	18,359	-	18,359	14,904
Premises and garden	Direct	113,672	-	113,672	101,986
Chapel	Direct	1,351	-	1,351	736
Staff courses	Direct	23,214	-	23,214	14,733
<b>Support costs allocated to activities</b>					
Repairs and renewals	Usage	194,370	3,967	198,337	188,636
General office costs	Usage	-	40,840	40,840	36,119
Communications	Usage	-	4,587	4,587	(1,035)
Legal and professional	Direct	-	54,031	54,031	54,773
Hire and lease of equipment	Usage	24,835	1,307	26,142	31,956
Depreciation	Usage	142,906	2,916	145,822	144,069
Loss on disposal of tangible fixed assets	Usage	574	12	586	-
<b>Total resources expended</b>		<b>2,324,225</b>	<b>157,546</b>	<b>2,481,771</b>	<b>2,392,976</b>

### 5. Net incoming resources for the year

This is stated after charging

	2013 £	2012 £
Depreciation	145,822	144,069
Auditors' remuneration - audit	9,030	9,030

**ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**  
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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**6. Staff costs and numbers**

Staff costs were as follows

	<b>2013</b> <b>£</b>	<b>2012</b> <b>£</b>
Salaries and wages	<b>1,573,225</b>	1,540,151
Social security costs	<b>113,575</b>	104,881
	<hr/>	<hr/>
	<b>1,686,800</b>	1,645,032
	<hr/>	<hr/>

No employee received emoluments of more than £60,000

The average number of employees during the year was as follows

	<b>2013</b> <b>Number</b>	<b>2012</b> <b>Number</b>
Nursing and residential care staff	<b>94</b>	97
Management and administration	<b>3</b>	3
	<hr/>	<hr/>
	<b>97</b>	100
	<hr/>	<hr/>

**7. Trustee remuneration and related party transactions**

None of the trustees received any remuneration during the year

A number of the Sisters live at St Mary's Convent and Nursing Home (Chiswick), including Sister Jennifer Anne SSM, who is the person in charge of the home. In accordance with their vows of poverty the Sisters are provided with board, lodgings, travelling and personal expenses. Pensions received by the Sisters are given to the charity. The Sisters receive no other benefit in money or in kind. They receive no salary for the work they do at St Mary's Convent and Nursing Home (Chiswick). If the work performed by the Sisters had to be carried out by lay employees the cost would exceed £85,000 per annum. The lay trustees receive no remuneration or reimbursement of expenses.

The charitable company has taken advantage of the exemption given by Financial Reporting Statement No. 8 and has therefore not given details of transactions with its parent undertaking. The exemption has been given because the consolidated accounts of the parent undertaking, St Margaret's Convent (Uckfield), which includes St Mary's Convent and Nursing Home, have been prepared and are available from the Charity Commission or on application to the auditors.

**ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**  
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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**8. Taxation**

No provision is made for taxation as the company is a charity entitled to the various exemptions afforded by the Corporation Tax Act 2010

**9. Tangible fixed assets**

	Leasehold improvements £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2012	3,008,171	1,676,004	40,533	4,724,708
Additions	45,386	14,428	23,900	83,714
Disposals	-	-	(11,680)	(11,680)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2013	3,053,557	1,690,432	52,753	4,796,742
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
At 1 April 2012	478,785	1,260,287	37,397	1,776,469
Charge for the year	61,071	79,571	5,180	145,822
Eliminated on disposals	-	-	(9,344)	(9,344)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2013	539,856	1,339,858	33,233	1,912,947
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 31 March 2013	2,513,701	350,574	19,520	2,883,795
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2012	2,529,386	415,717	3,136	2,948,239
	<hr/>	<hr/>	<hr/>	<hr/>

**ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**10. Investments**

	<b>2013 £</b>	<b>2012 £</b>
At 1 April 2012	<b>1,237,348</b>	1,285,838
Additions at cost	<b>202,109</b>	220,486
Disposals at opening market value (or cost if acquired in the year)	<b>(295,746)</b>	(275,116)
Net unrealised investment gains	<b>139,231</b>	6,140
	<hr/>	<hr/>
Market value at 31 March 2013	<b>1,282,942</b>	1,237,348
Add		
Cash awaiting investment	<b>119,146</b>	34,765
	<hr/>	<hr/>
At 31 March 2013	<b>1,402,088</b>	1,272,113
	<hr/>	<hr/>
Investments held at 31 March 2013 comprise the following		
UK listed investments	<b>1,282,942</b>	1,237,348
Cash balances	<b>119,146</b>	34,765
	<hr/>	<hr/>
	<b>1,402,088</b>	1,272,113
	<hr/>	<hr/>
Analysis of UK listed investments		
Fixed interest	<b>88,237</b>	91,386
Equities	<b>1,194,705</b>	1,145,962
	<hr/>	<hr/>
At 31 March 2013	<b>1,282,942</b>	1,237,348
	<hr/>	<hr/>
Historical cost of listed investments	<b>1,056,565</b>	1,112,270
	<hr/>	<hr/>

No individual investment represented over 5 per cent of the market value of the total portfolio at 31 March 2013

**ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**  
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**11. Debtors**

	2013 £	2012 £
Trade debtors	8,593	13,234
Other debtors	15,029	11,017
Prepayments	28,445	30,001
Accrued income	7,066	9,164
	<hr/> 59,133 <hr/>	<hr/> 63,416 <hr/>

**12. Creditors' amounts falling due within one year**

	2013 £	2012 £
Trade creditors	32,526	40,629
Deferred income	6,186	48,870
Other creditors	14,606	3,627
Taxation and social security	28,129	37,687
Accruals	44,344	21,477
	<hr/> 125,791 <hr/>	<hr/> 152,290 <hr/>

**13 Movements in funds**

Fund	1 April 2012 £	Incoming resources £	Outgoing resources £	Transfers £	Net investment gains £	31 March 2013 £
General	4,898,909	2,356,020	(2,481,771)	-	133,983	4,907,141
Restricted	-	-	-	-	-	-
	<hr/> 4,898,909 <hr/>	<hr/> 2,356,020 <hr/>	<hr/> (2,481,771) <hr/>	<hr/> - <hr/>	<hr/> 133,983 <hr/>	<hr/> 4,907,141 <hr/>

**ST MARY'S CONVENT AND NURSING HOME (CHISWICK)**  
**(A COMPANY LIMITED BY GUARANTEE)**  
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**14. Gross cash flows**

	2013 £	2012 £
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	(83,714)	(104,900)
Payments to acquire fixed asset investments	(202,109)	(220,486)
Receipts from sale of tangible fixed assets	1,750	-
Receipts from sales of fixed asset investments	290,498	252,079
	<u>6,425</u>	<u>(73,307)</u>

**15. Analysis of changes in net funds**

	1 April 2012 £	Cash flows £	31 March 2013 £
Cash at bank and in hand	767,431	(79,515)	687,916
Cash awaiting investment	34,765	84,381	119,146
	<u>802,196</u>	<u>4,866</u>	<u>807,062</u>

**16. Capital commitments**

	2013 £	2012 £
Contracted but not provided for in the financial statements	<u>8,000</u>	<u>-</u>

The capital commitment is in respect of professional fees for the construction of five self-contained bungalows in the grounds of St Mary's Convent and Nursing Home

**17 Parent undertaking**

The voting members of the Chapter of St Margaret's Convent are the only members of St Mary's Convent and Nursing Home (Chiswick). Accordingly St Margaret's Convent (Uckfield), an unincorporated charity (registered charity number 231926), is regarded as the parent undertaking of St Mary's Convent and Nursing Home (Chiswick).