

# **Barchester Healthcare Foundation**

**Trustees' report and financial statements**

**Year to 31 December 2008**

**Registered Company Number 4002177**

**Registered Charity Number 1083272**



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## **Trustees' Report**

The Trustees present their annual report and the audited financial statements for the year to 31 December 2008.

## **Reference and Administrative Information**

### **Constitution**

Barchester Healthcare Foundation ("the Foundation") is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. Company Number 4002177. Charity Number 1083272.

### **Directors and trustees**

The directors of the charitable company ("the Charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

### **Trustees**

The Trustees who held office during the year and subsequently were as follows:-

#### **Elected Trustees:**

Professor Malcolm Johnson

Mrs Elizabeth Mills

Mr Christopher P Vellenoweth (resigned and appointed 12 December 2008)

Mrs Christine Hodgson

Mr Michael D Parsons

Mrs Janice Robinson (resigned and appointed 12 December 2008)

Mr Nick Oulton (resigned and appointed 12 December 2008)

#### **Registered Office:**

Suite 201, The Chambers, Chelsea Harbour, London, SW10 0XF

#### **Auditors:**

KPMG LLP, Plym House, 3 Longbridge Road, Marsh Mills, Plymouth, PL6 8LT

#### **Bankers:**

Bayern LB, London Branch, Bavaria House, 13-14 Appold Street, London, EC2A 2NB

Barclays Bank plc, PO Box 378, 71 Grey Street, Newcastle upon Tyne, NE99 1JP

Royal Bank of Scotland, St Paul's, 9-13 Paternoster Row, London, EC4M 7EJ

#### **Solicitors:**

Blythe Liggins, Edmund House, Rugby Road, Leamington Spa, CV32 6EL

## **Trustees' Report** *(continued)*

### **Objectives and achievements**

The objective of the Charity is to make grants to individuals and organisations, which have identified health and social care needs in the community, which cannot be met by the statutory public sector, or by the individual(s). The Foundation's mission is to make a difference to the lives of older and disabled people, supporting practical solutions that lead to increased independence, self-sufficiency and dignity. These objectives have been refined over time and are no longer as comprehensive and far ranging as the original objectives registered with the Charity Commission. During the year the trustees have encouraged applications for individuals in particular, with a special bias towards older people. As a measure of our achievements, grants totalling £248,000 have been approved in the year, details of which are given in note 3.

### **Appointment of Trustees**

The Charity is governed by its memorandum and articles of association. Potential Trustees are nominated by one of the existing Trustees, seconded by another, followed by a vote of all Trustees. This vote is normally unanimous.

As prescribed in the Articles of Association, one third of the Trustees resigned at the AGM: Mr Christopher Vellenoweth, Mrs Janice Robinson and Mr Nick Oulton. All Trustees were re-appointed.

### **Training of Trustees**

The Charity does not have a formal policy of training for the Trustees. However, a number of the Trustees have experience of acting as Trustees for other charities. In addition regular information is supplied to the Trustees regarding their responsibilities and duties and relevant guidance from the Charity Commission.

### **Organisational Structure**

The Foundation Trustees hold quarterly meetings. In the interim period, decisions on grant applications of up to £1,000 may be approved by the Foundation's administrators, grants between £1,000 and £5,000 may be approved by two nominated Trustees if the verdict is unanimous. All applications over £5,000 go before all Trustees at a quarterly meeting. The Foundation has two part-time administrators who work for the Barchester group and whose time is recharged to the Foundation.

### **Reserves Policy**

The Trustees review grants made, but not paid, and proposed grants at each meeting. The figure for grants proposed but not approved is deducted from current reserves to ensure that the remaining amount does not reduce to below £100,000. If funds were to remain below £100,000, with no prospect of further funds, the Trustees would meet to decide the future of the Charity. At the end of the year these funds totalled £195,000 (2007: £187,000). The Trustees' policy is that they would not hold reserves in excess of one year's maximum expected donations, which they estimate at £300,000. The reserves held at the end of the period were in excess of the minimum level set out in the policy. It is expected that the reserves held will reduce in the next financial year as the level of donations receivable is expected to reduce.

### **Grant making policy**

The Foundation can provide grants of up to £10,000 to individuals or organisations. The focus is on adults over 18 living in England, Scotland and Wales. Applications are invited where older people and disabled adults have direct needs and can propose practical solutions.

## **Trustees' Report (continued)**

The Foundation can enable direct assistance to reach named individuals and small groups rather than make contributions to wider costs of organisations.

### **Public Benefit Test**

The Trustees consider that all aspects of the Charity Commission's Public Benefit requirements are met as the charity will consider applications from all sectors of the community and there is no cost to making an application for support.

### **Review of Activities and Future Developments**

In 2008 the Foundation granted £248,000 (2007: £254,000) towards helping older and disabled people around Britain. 248 grants were awarded ranging from £33 up to £5,000 to support a wide range of projects, which included helping individuals, groups and organisations to fund specialist equipment, education, transport, activities and outings.

The Foundation will continue to make grants to projects where the money can make a real difference to the beneficiaries. The Foundation continues to develop its website and a lot more information on its activities can be found on [www.bhcfoundation.org.uk](http://www.bhcfoundation.org.uk).

### **Risk Policy**

The major risks to which the Charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks. Given the nature of the activities the Trustees have identified limited significant risks that the Charity faces. The major risks would be the loss of support from the Barchester Healthcare Group and reputational risk from making inappropriate awards. Both risks are viewed as very unlikely to occur. The Trustees believe that the systems and controls operated by the Charity are sufficient to mitigate identified risks. The Trustees intend to perform a formal review of the Foundation's risk policy once a year.

### **Investment Policy**

The Trustees invest free cash resources in term deposit accounts to maximise interest income while maintaining a low risk policy of investment.

### **Disclosure of information to auditors**

The Trustees who held office at the date of approval of this Trustees' report confirm that there is no relevant audit information of which the company's auditors are unaware; and each Trustee has taken all the steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Auditors**

In accordance with section 384 of the Companies Act 1985, a resolution for the reappointment of KPMG LLP will be proposed at the forthcoming Annual General Meeting.

By order of the board



M D Parsons (Chairman)

16 September 2009

Suite 201, The Chambers  
Chelsea Harbour  
London  
SW10 0XF

**Statement of Trustees' Responsibilities in respect of the Trustees' annual report and the financial statements**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice).

The charitable company's financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

## **Report of the independent auditors to the members of Barchester Healthcare Foundation**

We have audited the financial statements of Barchester Healthcare Foundation for the year ended 31 December 2008 which comprise the statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the Trustees and auditors**

The Trustees' (who are also the directors of the company for the purposes of company law) responsibilities, for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Trustees' responsibilities on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and other transactions is not disclosed.

We read the Trustees' report and consider the implications for our report if we become aware of any apparent misstatement within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Report of the independent auditors to the members of Barchester Healthcare Foundation** *(continued)*

**Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 December 2008 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.

*KPMG LLP*

**KPMG LLP**

*Chartered Accountants*

*Registered Auditor*

3 Longbridge Road  
Plym House  
Plymouth  
PL6 8LT

*23 October 2009*



**Statement of Financial Activities (incorporating the Income and Expenditure Account) for the year to 31 December 2008**

	<i>Note</i>	<b>Year to 31 December 2008 £'000</b>	<b>Year to 31 December 2007 £'000</b>
<b>Incoming resources from generated funds</b>			
<i>Voluntary income:</i>			
Donations, legacies and similar incoming resources	2	317	446
Other incoming resources		7	6
<b>Total incoming resources</b>		<b>324</b>	<b>452</b>
<b>Charitable activities</b>			
Charitable activities	3	(311)	(307)
Governance costs	4	(5)	(4)
<b>Total resources expended</b>		<b>(316)</b>	<b>(311)</b>
<b>Net movement in unrestricted funds/net income for year</b>		<b>8</b>	<b>141</b>
Unrestricted fund balances b/fwd as at 1 January		187	46
<b>Unrestricted fund balances c/fwd as at 31 December</b>		<b>195</b>	<b>187</b>

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for Companies Act purposes, comprising the net expenditure for the year, was £8,000 (2007: surplus £141,000).

**Balance Sheet as at 31 December 2008**

	<i>Note</i>	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>
<b>Current Assets</b>			
Debtors	7	<u>1</u>	<u>3</u>
Cash at bank and in hand		<u>308</u>	<u>287</u>
		<b>309</b>	<b>290</b>
<b>Creditors: amounts falling due within one year</b>	8	<u>(114)</u>	<u>(103)</u>
<b>Net assets</b>		<u><b>195</b></u>	<u><b>187</b></u>
<b>Funds:</b>			
<b>Unrestricted funds</b>		<u><b>195</b></u>	<u><b>187</b></u>

The financial statements on pages were approved by the Trustees on 16 September 2009  
and signed on their behalf by:



M D Parsons (*Chairman*)

## **Notes forming part of the financial statements for the year to 31 December 2008**

### **1 Accounting Policies**

#### **a) Basis of Preparation**

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published October 2005 and applicable accounting standards.

The statement of financial activities (incorporating the Income and Expenditure account) (SOFA), the balance sheet and the related notes constitute the financial statements of the charity.

The charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities.

Under Financial Reporting Standard 1 the charity is exempt from the requirement to prepare a cash flow statement on the grounds that it falls within the Companies Act definition of a small company.

#### **b) Taxation**

Barchester Healthcare Foundation, as a registered charity, is exempt from taxation on its income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year.

#### **c) Company Status**

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 2. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

#### **d) Incoming Resources**

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

The charity recognises income relating to commitments to make annual donations in the period to which they relate, provided that the trustees are reasonably certain that the donations will be received.

#### **e) Resources Expended**

Grants are recognised as payable when approval has been given by the Trustees. All other expenditure is accounted for on an accruals basis.

#### **f) Investments**

The donations are invested in a bank deposit account immediately upon receipt.

**Notes forming part of the financial statements for the year to 31 December 2008**  
*(continued)*

**1 Accounting Policies** *(continued)*

**g) Finance and Operating Leases**

No leases were entered into during the year or prior year.

**h) Fund Accounting**

All the Charity's funds are unrestricted i.e. they are expendable at the discretion of the Trustees.

**i) Irrecoverable VAT**

All resources expended are classified under activity headings that aggregate all costs relating to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

**2 Donations, legacies and similar incoming resources**

	<b>Year to 31 December 2008 £'000</b>	<b>Year to 31 December 2007 £'000</b>
Corporate donors	260	384
Private donors	55	57
Gift Aid	-	3
Refund of Grants paid	2	2
	<b>317</b>	<b>446</b>

Included within amounts receivable from corporate donors above is £10,000 (2007: £10,000) in respect of donated staff time and facilities.

**3 Grants payable in furtherance of the Charity's objectives**

	<b>Year to 31 December 2008 £'000</b>	<b>Year to 31 December 2007 £'000</b>
Grants payable	248	254
Support costs	63	53
	<b>311</b>	<b>307</b>

Included within support costs above is £10,000 (2007: £10,000) in respect of donated staff time and facilities.

**Notes forming part of the financial statements for the year to 31 December 2008**  
(continued)

**3 Grants payable in furtherance of the Charity's objectives (continued)**

**a) Grants payable to individuals**

215 grants totalling £212,000 were payable to individuals in the year. The grants were for a wide range of purposes: specialist equipment e.g. electric beds, specialist mattresses, electric wheelchairs, riser/recliner chairs, stair lifts, tricycles and scooters; computers and other IT equipment; communication aids; exercise; holidays; educational grants; furnishings and fittings such as washing machine, bed, mattress, carpeting, home security and replacement TV; transportation; heating; disabled vehicle adaptations; disabled bathroom and kitchen adaptations and other house/garden adaptations.

**b) Grants under £1,000 payable to institutions and groups**

There were 17 grants of under £1,000 payable to institutions and groups, for a total of £7,000. These include grants for specialist equipment and tools, materials, activities and classes, entertainment, transport and outings for day centres and clubs that cater for the elderly and disabled.

**c) Grants over £1,000 payable to institutions and groups**

There were 16 grants of £1,000 and over to institutions and groups, which totalled £29,000. Details are on shown in full on page 14.

**4 Governance costs**

	<b>Year to 31 December 2008 £'000</b>	<b>Year to 31 December 2007 £'000</b>
Audit fee	<u>5</u>	<u>4</u>
	<u>5</u>	<u>4</u>

**5 Trustees' remuneration**

The trustees neither received nor waived any emoluments during the year. Trustees were reimbursed for out of pocket expenses. £901 (2007: £704) was reimbursed for travel expenses and £20 (2007: £65) for subsistence costs.

**6 Staff costs**

The charity had no employees during the current or prior year.

During the current year, Barchester Healthcare Homes Limited (part of the Barchester group) recharged the charity for the time of two part-time members of staff. This recharge amounted to £41,000 (2007: £34,000).

**Notes forming part of the financial statements for the year to 31 December 2008**  
**(continued)**

**7 Debtors**

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Other debtors	-	1
Prepayments and accrued income	<u>1</u>	<u>2</u>
	<b><u>1</u></b>	<b><u>3</u></b>

**8 Creditors: amounts falling due within one year**

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Accruals and deferred income	33	49
Other creditors	10	-
Grants payable	<u>71</u>	<u>54</u>
	<b><u>114</u></b>	<b><u>103</u></b>

**Grants payable**

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Grants b/fwd	54	41
Grants approved in year	248	254
Grants paid in year	<u>(231)</u>	<u>(241)</u>
Grants c/fwd	<b><u>71</u></b>	<b><u>54</u></b>

**9 Financial commitments**

At 31 December 2008 the charity had no annual commitments (2007: £nil).

**Grants payable in furtherance of the Charity's objectives****Grants over £1,000 payable to institutions and groups**

<b>APPLICANT NAME</b>	<b>GRANT £</b>	<b>PURPOSE OF GRANT</b>
Surrey Association for Visual Impairment (SAVI)	1,000	Contribution towards the running costs of senior citizens group aimed at blind and deaf community.
Warminster Sequence Dance Club	1,500	Contribution towards organist for elderly dance group
Alzheimer's Support	1,000	Transportation costs for members to attend club
Young At Heart Club	2,000	Four day outing for senior citizens group to socialise older members of the community
North and West Sutherland Care Alliance	5,000	Contribution towards travel costs for older people centred support group based in Sutherland
Age Concern Chichester District	1,000	Four day trips for elderly and vulnerable members of the local community
Tunbridge Wells Shopmobility	2,885	New scooters, specialist to heavier individuals, for shopmobility scheme
Ffrith Astrobowl Blind Bowling Club	1,700	Contribution towards running costs of disabled blind bowling club
DRUM	1,000	Arts and crafts materials for disabled adult day centre
Fern Street Settlement	1,285	Transportation costs for elderly group outings
PCC Parochial Church Council, St Peter's Church	2,000	Funds needed to complete works long overdue to make the church more accessible, with better facilities (underfloor heating, disabled toilets and a flat floor)
Restart	1,500	Funds requested for the day to day running of a support group for patients fitted with an ICD (Implantable Cardioverter Defibrillator)
Warwick Percy Estate Community Projects Ltd	1,000	Activities programme for older people who attend local community group
Rainbow Care Centre	1,280	Contribution towards travel costs for two group outings for 50+ social group
Carmarthen and District Hearing Impaired Group	2,000	Transport and speaker costs
Daventry Shopmobility	2,650	New heavy duty scooter, for out of town centre journeys
<b>Total grants awarded</b>	<b>28,800</b>	