

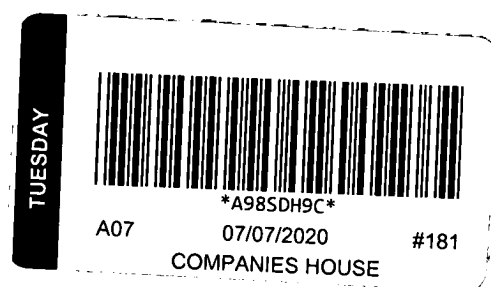
THE OXFORDSHIRE CARE PARTNERSHIP

Annual Report and Financial Statements

Year Ended 31 March 2020

Charity No: 1087554

Company No: 04152545



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Report of the Trustees for the year ended 31 March 2020

The Trustees, who are also directors of the Charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2020.

Reference and Administrative Details

Director/Trustees

Millie Wentworth-Stanley (The Orders of St John Care Trust) (Chairman)
Daniel Hayes (The Orders of St John Care Trust)
Kerry Dearden (The Orders of St John Care Trust)
Tracey Wardle (The Orders of St John Care Trust)
Kevin Bolt (bpha)
Anna Humphries (bpha)
Julie Wittich (bpha)
Philippa Spratley (bpha)

Secretary Philippa Spratley

Registered Office Bedford Heights
Manton Lane
Bedford
MK41 7BJ

Auditor BDO LLP
Chartered Accountants
Two Snow Hill
Birmingham
B4 6GA

Bankers Barclays Bank Plc
Midland Corporate Banking
P.O. Box 3333
15 Colmore Row
Birmingham
B32 4TN

Report of the Trustees for the year ended 31 March 2020 (continued)

Strategic Report

Structure, Governance and Management

The Oxfordshire Care Partnership (the Charity) is a charitable company limited by guarantee (registered company number 04152545, registered Charity number 1087554) and was established on 1 February 2001. It is governed by articles of association which were last amended on 8 June 2001.

Organisation

A board of Trustees, which meets periodically, administers the Charity. Each member has the power to appoint up to four Trustees to the Board and the Board is able to appoint up to two independent Trustees. During the year to 31 March 2020, The Orders of St John Care Trust (OSJCT) had appointed four Trustees, bpha had appointed four Trustees. Trustee induction and training includes ensuring all Trustees have a working knowledge of the Charity and its charitable purpose, any current issues the Charity is facing and an overview of the financial position. The Trustees jointly take all key decisions regarding contractual and other commercial arrangements of the Charity, and there are working groups on which both members are represented. OSJCT manage the day-to-day care service provision obligations of the Charity under a management contract dated 20 December 2001.

Investment Powers

Under the memorandum and articles of association, the Charity has the power to make any investments which the Trustees see fit.

Objectives and Public Benefit

The Charity's objectives are to carry out in the County of Oxfordshire the following activities:

- To provide care to elderly people through care homes specialising in residential, mental health and nursing care, together with intermediate, domiciliary and day care;
- To provide housing, accommodation and assistance to help house people who are elderly or disabled and associated facilities and amenities for such people or for the relief of the aged, disabled, handicapped (whether physically or mentally) or chronically sick people and provision of care in the community and in hospitals and at home; and
- To further such general charitable objects as the Trustees may determine.

The Trustees have reviewed the Charity Commission guidance on Public Benefit and consider that the Trust objectives are for the public benefit. The main reasons are:

- 100% of our service users are contracted by Local Authorities.
- Surpluses are reinvested in subsidising improved services or accommodation for our service users.
- Other services are provided at either low or no cost to certain service users.
- Our services are available to any eligible person.

Report of the Trustees for the year ended 31 March 2020 (continued)

Related Parties

The Charity is a charitable care trust established in 2001 by OSJCT, a leading national provider of care service for older people and bpha, a major regional registered social landlord, to take transfer of operational care homes for older people from Oxfordshire County Council (OCC). The transfer of the 19 care homes was completed in December 2001. Central to the contract with OCC is the principle that the 10 existing homes will be replaced in the life of the contract, in which the physical standards of the accommodation fall short of agreed requirements, with eight larger new build homes developed to the most modern standards. In all significant matters, including the provision of services to OCC and the replacement of homes, the Charity acts as the principal obligor but as detailed below has subcontracted certain matters to OSJCT and bpha who each take some of the risks and rewards. The net balance of surplus / deficit after sub-contractual commitments arising on operations in the County of Oxfordshire is retained within the Charity.

The Charity wholly subcontracts the care of residents in the care homes to OSJCT. OSJCT is the registered operator of the care homes and employs the employees working in the homes and at a support level in the county office. Similarly, the Charity subcontracts the development and capital funding of the new care homes to bpha.

The existing care homes and County Council controlled development sites are leased from OCC to the Charity on 60-year operating leases with the exception of one site. The development sites are underlet by the Charity to bpha with a contractual commitment to develop and fund the new care homes. Upon satisfactory completion, the new homes are leased back to the Charity for operation by OSJCT.

Funding Sources and Expenditure

The principal funding source is fees for residential and nursing care from OCC; the Charity also receives income from the NHS for property rental at the Chipping Norton site (2020: £0.35m; 2019: £0.35m); expenditure is all related to providing care, and maintaining the properties and equipment.

The accounting treatment adopted since the Charity was first established reflects the intention of the partners, OSJCT and bpha, and of the other stakeholders principally including OCC, that all activity in relation to provision of services in the homes operated by the Charity should be reflected in the Charity's financial statements. This is reflected in the occupancy key performance indicators. However, self-fund income is treated as agency income and so is not included in the accounts. Beds which are not purchased by OCC and beds that fall outside of the contract with OCC are made available to private self-funding residents in a direct contract with OSJCT. As in previous years the private self-funder income does not form part of the financial statements of the Charity. In previous years the Charity's strategic report made some reference to the key performance metrics of the homes. The Trustees recognise that it is not possible by reference to the OCP financial statements for external stakeholders to understand the underlying performance of the homes since most of the operating costs and all of the self-funder income are borne by OSJCT and are only recognised in OSJCT's financial statements. The Trustees have agreed on the accounting treatment and this is consistent with the prior year, they will however keep this under review for appropriateness.

The Trustees recognise that almost 20 years have elapsed since the Charity commenced operations. During that period the operating environment, including the needs and expectations of elderly people has changed. The original intentions of the partners have in some cases been superseded with some homes continuing to operate beyond their originally anticipated lifespan.

Report of the Trustees for the year ended 31 March 2020 (continued)

During 2018/19 the partners agreed a set of definitions for 2019/20 for the key areas of property spend. As part of this the Charity agreed to fund from its reserves £0.6M of refurbishment costs in 2019/20 in support of the needs of some of the homes to enable discussions on funding to support the repairs and maintenance of the older homes to be discussed with the Local Authority. £0.4m was spent during 2019/20 with the remaining works being carried over to 2020/21. The estate strategy, which will seek to address the future funding requirements of the homes, is still being worked on. This includes the work required on the lifecycle maintenance fund to ensure it has sufficient funds to the end of the contract. We continue to work towards completing both pieces of work by March 2021 but are mindful that the coronavirus pandemic has currently diverted all local government and Charity resource into the management of the pandemic.

Compliance with Charity Governance Code

The Board notes its support of the new code of governance for charities, including the requirements for larger, more complex charities. A review was undertaken during 2020 to assess the Charity's compliance with the code. Although the key outcomes in respect of each of the principles are met, full compliance with all recommended practices within the code is not achievable. Certain parts of these practices are not applicable, for instance in relation to staffing as OCP itself does not employ any staff. Practice diverges in other areas, sometimes as a direct consequence of the charity's joint venture structure. This mainly affects the Board Effectiveness and Diversity principles. For instance, the constitution of the joint venture stipulates that Trustees are nominated in equal numbers by the two partner organisations whereas the code recommends open processes for the appointment of Trustees.

Principle	Compliance with recommended practices
Organisational Purpose	7/7 fully compliant
Leadership	7/11 fully compliant 4 not applicable
Integrity	4/7 fully compliant, 3 partially compliant
Decision-making, Risk & Control	6/17 fully compliant, 6 partially compliant, 5 not applicable
Board Effectiveness	7/15 fully compliant, 4 not applicable, 5 non compliant
Diversity	4/8 partially compliant, 4 not applicable
Openness and Accountability	5/10 fully compliant, 3 partially compliant, 2 not applicable

Statement of adherence to the Fundraising Regulator Code

The Charity seeks to comply fully with all regulation and relevant codes of practice. Fundraising is not a material income stream for the Charity and therefore is not required to report under section 162A of the Charities Act 2011.

Activities and Performance

The Charity operates 17 care homes across Oxfordshire with a total of 918 beds (2019: 918).

The Charity (OCP) continues to have a strong relationship with OCC and strategic discussions are ongoing around the future estate strategy including performance of some older homes and development of alternative commissioning models that meet the needs of OCC and future residents alike.

Trading performance continued to be challenging throughout 2019/20. The sector continues to find it difficult to recruit and retain employees. OSJCT, as the care provider to OCP, which as detailed above

Report of the Trustees for the year ended 31 March 2020 (continued)

employs all the staff providing the care services, has found it is relying increasingly on the support of agency workers. Oxfordshire has a particularly low unemployment rate and the Charity (OSJCT) is feeling the impact of reduced availability of overseas workers.

The Charity (OCP) will continue to work with its partners and stakeholders to ensure the sustainability of OCP.

Financial Review

	2020	2019
Financial KPIs	(£'000)	(£'000)
Income	24,236	22,509
Net (Expenditure)/Income	(150)	110
Cash flow	(2,908)	1,758
Operational KPIs		
Occupancy as % of total places	93.2%	93.3%
Average block beds	562	555

Financial performance for the 12 months has improved in terms of income (income from charitable activities increased by 7.7% to £24.2m in the year to 31st March 2020) due principally to increased fee rates and higher occupancy in OCC block beds. The average occupancy for the year (OCC funded residents and self-funders) was 93.2% (2019: 93.3%). This equates to 856 residents in total. Although total occupancy dropped slightly in the year, the average number of block beds increased with 562 funded by OCC. Local Authority fee increases for the year were 3.44% (2019: 2.51%). Fee increases are linked to contractual indexation.

Contractual payments to OSJCT increased in line with the increase in income as a consequence of the mechanism used to calculate care fees.

Trustees agreed to invest £72k in stock condition surveys as part of the ongoing estate strategy programme to inform the future investment requirements of the homes until the end of the contract.

During the year, the lease on a closed site, Chiltern's End, was surrendered, with the site being handed back to OCC. As part of the lease surrender, OCP incurred a one-off exceptional cost of £169k, which is circa one year's rent, to be released from the lease early.

Trustees agreed both of these costs could be funded from reserves, as they seek to support OCP as a sustainable Charity to the end of the contract. This means OCP has traded a deficit position of £150k during 2019/20 as a consequence of these two one-off items.

Covid-19 began to have an impact on the UK during March 2020. OCP homes were not materially impacted during March and therefore the annual report reflects what could be considered as normal trading. However, since the start of April, OCP has experienced a reduction in occupancy to below sector benchmarked levels in line with the sector, which will take time to build back to the levels since during 2019/20. The mechanisms of the OCP contract are such that the financial risks of occupancy reduction sit with OSJCT as care provider, rather than OCP.

Report of the Trustees for the year ended 31 March 2020 (continued)

Going Concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future from the date of signing of these reports and financial statements. Trustees have reviewed the 24 month trading performance and cashflows and are satisfied the Charity is sustainable. Therefore, the Charity will continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Trustees have considered a number of scenarios with relation to Covid-19 and the impact on OCP. The contractual structure of OCP is such, that the void mechanism ensures OCP can continue to cover all contractual payments. Operating risk sits with the care provider, OSJCT, and therefore Trustees are assured there is limited risk to OCP as a result of Covid-19.

Reserves Policy and Risk Management

The Charity is currently building a reserve and at the year-end held total reserves of £3.7m (2018/19: £3.9m) with free reserves of £3.0m (2018/19: £3.7m). The current policy is to continue to build reserves in the Charity until such time that a decision is made around utilisation of those reserves. The Trustees believe that reserves should exceed £4m. The Charity is committed to using reserves for reinvestment in services for older people in Oxfordshire in line with the Charity's objectives. The Trustees agreed to use £0.6m of reserves during the year towards the refurbishment of some homes. £0.4m of works have been completed with the remaining £0.2m to be utilised during 2020/21.

The Trustees have identified and implemented risk management strategies for the risks to which the charity could be exposed and have established controls and action plans over these.

The principal risks to which the Charity may be subject:

- **Covid-19** – global pandemic will affect occupancy levels; however the void bed contractual mechanism ensures GCP is sufficiently reimbursed to continue to operate.
- **Governance and Management** - the strategic objectives of the Charity are reviewed annually, to set clear goals for the current year in line with long term aspirations and Charity Commission guidelines, in order to continue to deliver quality care services.
- **Operational Control** – there are established systems to manage and report operating performance to all stakeholders in the Trust, which are reviewed regularly. Trustees are considering how this can be improved to ensure strong communications exist to maximise availability of the provision of care for the residents.
- **Financial Controls** – Operational financial management of the Charity is undertaken by OSJCT which is overseen by a Board of Trustees.
- **Legal and Compliance Risks** - OSJCT as Care Provider complies with all care homes legislation and other applicable laws relating to the homes or to the provision of services including (without limitation) those relating to health and safety, hygiene, fire, employment and data protection.

Report of the Trustees for the year ended 31 March 2020 (continued)

Trustees' Responsibilities

The Trustees are responsible for preparing the Strategic Report, the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the income and expenditure, of the charity for that period.

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

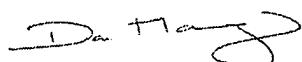
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all reasonable steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees Annual Report, incorporating the Strategic Report, was approved by the Board on 01 July 2020.



Daniel Hayes
Trustee

Independent auditor's report to the members of The Oxfordshire Care Partnership

Opinion

We have audited the financial statements of The Oxfordshire Care Partnership ("the Charitable Company") for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, 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 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: Report of the Trustees.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year ended 31 March 2020 for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors 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 Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Kyla Bellingall (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

Birmingham

3 July 2020

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

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31 March 2020

	Notes	2020 Unrestricted Funds £'000	2019 Unrestricted Funds £'000
Income from:			
Charitable activities	2	24,207	22,477
Investments (Interest)		29	32
Total Income		24,236	22,509
Expenditure on:			
Charitable Activities	3	24,386	22,399
Total Expenditure		24,386	22,399
Net income for the year		(150)	110
Total funds brought forward		3,856	3,746
Total funds carried forward at 31 March		3,706	3,856

All of the above results are derived from continuing activities.

All gains and losses recognised in the year are included above.

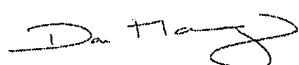
The notes on pages 16 to 22 form part of these financial statements.

Balance Sheet as at 31 March 2020

	Notes	2020 Unrestricted Funds £'000	2019 Unrestricted Funds £'000
Fixed Assets			
Tangible assets	5	475	156
Current assets			
Debtors: due within one year	6	177	127
Cash and cash equivalents		5,017	7,925
		<u>5,194</u>	<u>8,052</u>
Current liabilities			
Creditors: amounts falling due within one year	7	(1,963)	(4,352)
Net current assets		<u>3,231</u>	<u>3,700</u>
Total assets less current liabilities		<u>3,706</u>	<u>3,856</u>
Net assets		<u>3,706</u>	<u>3,856</u>
Funds:			
Unrestricted funds		3,706	3,856
Total funds	10	<u>3,706</u>	<u>3,856</u>

The notes on pages 16 to 22 form part of these financial statements.

The financial statements of The Oxfordshire Care Partnership (Company Number 04152545) were approved by the Trustees on 01 July 2020 and signed on their behalf by:



Daniel Hayes
Trustee

Statement of Cash Flows for the year ended 31 March 2020

	2020	2019
	£'000	£'000
Cashflows from operating activities:		
Net cash (used in)/provided by operating activities	(2,617)	1,726
Cash inflows/(outflows) from investing activities:		
Interest received	29	32
Purchase of fixed assets	(320)	-
Net cash (used in)/provided by investing activities	(291)	32
Change in cash and cash equivalents in the year	(2,908)	1,758
Cash and cash equivalents at the beginning of the year	7,925	6,167
Cash and cash equivalents at the end of the year	5,017	7,925
Net (expenditure)/income for the year	(150)	110
Adjustments for:		
Depreciation charges	64	59
(Increase)/decrease in debtors	(50)	695
(Decrease)/increase in creditors	(2,452)	894
Interest Received	(29)	(32)
Net cash (used in)/provided by operating activities	(2,617)	1,726

The notes on pages 16 to 22 form part of these financial statements.

Notes forming part of the financial statements for the year ended 31 March 2020

The company is a private company limited by guarantee and is registered in England and Wales. The company's registered address is Bedford Heights, Manton Lane, Bedford, MK41 7BJ. The company's registered number is 04152545.

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared in accordance with Charities SORP (FRS 102) (second edition October 2019) 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, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Financial Statements of the Charity, which is a public benefit entity under FRS102, have been prepared on the historical cost basis. The principal accounting policies adopted in the preparation of the accounts are set out below and any changes restated in the previous year. The accounts are presented in £ sterling.

The financial statements have been prepared up to 31 March 2020 which is within 7 days of the accounting reference period of 27 March 2020.

b. Going Concern

The financial statements have been prepared on a going concern basis.

In the current business climate, the Board acknowledge the ongoing COVID-19 pandemic. In response to the pandemic, the Trustees are monitoring all aspects of the company's activities and have implemented operational changes to mitigate the financial impact of COVID-19. Actions have included a full reforecast of the financial position and cashflows for the period to March 2022 and stress testing the cash position to the extreme of zero occupancy. The contractual structure of OCP is such, that the void mechanism ensures OCP can continue to cover all contractual payments. Operating risk sits with the care provider, OSJCT, and therefore Trustees are of the view that there is limited risk to OCP as a result of Covid-19.

Based on the reforecasts and the available liquid resource, the Trustees believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the charity's ability to continue as a going concern for the foreseeable future, being a period of at least 12 months after the date on which the report and Financial Statements are signed. The Trustees, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

c. Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 3 as well as The Orders of St John Care Trust and bpha. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

d. Fund accounting

General funds are unrestricted funds, which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes. Investment income and gains are allocated to the appropriate fund.

e. Income from charitable activities

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenue is accounted for on the basis of invoiced charges for residential and related care services, raised in accordance with Local Authority or residents' personal contracts and recognised over the period in which provided. Income excludes charges to private self-funding residents who occupy beds in the Charity's homes.

f. Expenditure on charitable activities

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they are allocated to activities on a basis consistent with use of the resources.

Residential care costs are contractual payments to OSJCT in relation to the operation of the care homes. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include rent and planned maintenance.

g. Significant Accounting Estimates and Judgements

In determining the carrying amounts of certain assets and liabilities, the Charity makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The Charity's estimates and assumptions are based on historical experience and expectation of future events and are periodically reviewed.

Management consider the judgment applied to revenue recognition to be significant, in relation to whether OCP acts as principal or agent in its contractual arrangements. OCP is considered to act as principal in the contractual arrangements with OCC. Accordingly, income received from OCC is recognised in full. OCP is not considered to act as principal in the contractual arrangements with self-funded residents. Accordingly, income received from self-funded residents is not recognised.

Management considered the classification of leases between finance and operating leases, and took the judgement that all leases should be classified as operating leases.

h. Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

i. Taxation status

As a Charity, it is exempt from taxation on its charitable activities.

j. Fixed Assets

Expenditure incurred on assets held on a continuing basis for the activity of the company is capitalised where appropriate and included in fixed assets at cost. Depreciation is provided to

write off the cost less residual value on a straight line basis over the useful economic life of the asset concerned.

The following rate applies:

Fixtures, fittings and equipment: 5 years.

Leasehold improvements: remainder of lease.

k. Financial Instruments

The Company only has financial assets and 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.

l. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

2. Income from charitable activities

Incoming resources from charitable activities include fees for residential care from OCC and charges for the provision of services to the National Health Service.

3. Expenditure on charitable activities

	2020 £'000	2019 £'000
Contractual payments to OSJCT	16,213	14,579
Operating lease rentals – land & buildings	6,119	6,082
Planned maintenance	817	790
Management fees	896	863
Professional fees	91	-
Other	3	2
Depreciation	64	59
Governance costs (audit fee)	14	24
Exceptional items	169	-
Total charitable activities	24,386	22,399

4. Trustees' remuneration

The Trustees neither received nor waived any emoluments during the year.

No out of pocket expenses were reimbursed to Trustees.

5. Fixed Assets

	Furniture & Equipment £'000
Cost	
At 31 March 2019	294
Additions	383
At 31 March 2020	677
Depreciation	
At 31 March 2019	138
Depreciation charge	64
At 31 March 2020	202
Net Book Value	
At 31 March 2019	156
At 31 March 2020	475

6. Debtors

	2020 £'000	2019 £'000
Trade debtors	174	104
Other debtors and accrued income	3	3
Prepayments	-	12
Amounts due from related undertakings	-	8
Total	177	127

7. Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	82	-
VAT	13	15
Accruals and deferred income	1,755	2,082
Amounts due to related undertakings	113	2,255
Total	1,963	4,352

8. Operating Lease commitments

At 31 March 2020 the company had total commitments under non-cancellable operating leases as follows:

	2020	2019
	Land and Buildings	Land and Buildings
	£'000	£'000
Due within 1 year	6,144	6,082
Due within 1-5 years	24,579	24,326
Due in more than 5 years	217,186	221,154
	247,909	251,562

9. Capital commitments

At 31 March 2020, commitments remaining to major maintenance projects were as follows:

	2020	2019
	£'000	£'000
Committed	181	-
	181	-

Committed projects represent continued improvement works at six homes across the county.

10. Analysis of net assets between funds

	2020	2019
	Unrestricted Funds	Unrestricted Funds
	£'000	£'000
Funds balances are represented by:		
Fixed assets	475	156
Current assets	5,194	8,052
Current liabilities	(1,963)	(4,352)
Total net assets	3,706	3,856

11. Related Party Transactions

bpha

The income and expenditure account includes the following transactions between the Charity and bpha, which is one of two equal members in the company:

	2020 £'000	2019 £'000
Expenditure:		
Property lease rentals	3,989	3,884
Management fee	122	115
Planned maintenance	817	790
	<u>4,928</u>	<u>4,789</u>

The amounts due to or from bpha at the year-end are:

	2020 £'000	2019 £'000
Payable:		
Other costs	97	1,886
	<u>97</u>	<u>1,886</u>

The Orders of St John Care Trust (OSJCT)

The income and expenditure account includes the following transactions between the Charity and OSJCT, which is one of the two equal members in the company:

	2020 £'000	2019 £'000
Expenditure:		
Management fees	774	749
Care services costs	16,089	14,455
Other related costs	124	124
	<u>16,987</u>	<u>15,328</u>

The amounts due to or from OSJCT at the year-end are:

	2020 £'000	2019 £'000
Receivable:		
Trade debtor	-	8
	<u>-</u>	<u>8</u>
Payable:		
Salary recharge	1	1
Unitary charge	11	11
Care service costs	2	357
	<u>14</u>	<u>369</u>

Under the terms of the care services contract Oxfordshire County Council are contracted to purchase a minimum number of bed spaces in the OCP homes with the balance being available to OSJCT. In the event purchasing falls below these levels the Council either pay a 'void' rate or OSJCT has the rights to offer the bed space to the NHS, other Local Authorities or private fee payers. Any such placements by OSJCT are at nil consideration to OCP.

All income directly received by OSJCT and any associated risk e.g. providing required care at premium rates (agency), being exposed to doubtful debt or rising costs above contractual inflation that may arise, is the direct responsibility of OSJCT as care provider.

12. Subsequent Events

The outbreak of the Covid-19 pandemic has had a significant impact on the operation of the Charity's care homes. This is expected to continue into the 2020/21 financial year and potentially longer. From a financial perspective, the pandemic has and is expected to impact occupancy levels which will in turn reduce income. However, as detailed in note 1 the Trustees are satisfied that the Charity is a going concern.